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THE AMERICAN LABOR MOVEMENT



SOCIAL ACTION SERIES NO. 6

by
Rev. Francis J. Haas, Ph.D., LL.D.

The pamphlets in the *Social Action Series*, of which this is the **sixth** number, are edited by the Social Action Department of the National Catholic Welfare Conference. They represent an effort to present to the general public, and especially to Catholics, a discussion of current economic facts, institutions and proposals in the United States in their relation to Catholic social teaching, particularly as expounded in Pope Pius XI's Encyclical "Forty Years After—Reconstructing the Social Order" (*Quadragesimo Anno*). In the spirit of that Encyclical they are urged upon and recommended to individuals, study clubs, discussion groups and school classes.

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FOREWORD

Father Haas shows in this pamphlet his intimate knowledge of the American labor movement. He gained it by many years of close association with it, culminating in his great work on the Labor Advisory Board of the NRA and his present work on the Labor Policies Board of the WPA.

The United States is fortunate in having a labor movement which, while insisting on fair wages and fair hours, holds as its program that the labor unions should collaborate with the employers and their organizations in the general conduct of industry.

"Industry's Manifest Duty," the American Federation of Labor manifesto of its Portland Convention, and the attitude of the United Mine Workers (of the Committee for Industrial Organization) towards a self-government of the coal industry by capital and labor jointly, show that American labor unions, generally, want collective bargaining to be what Pius XI's "Reconstructing the Social Order" wants it to be: "An approach towards the mutual coöperation of vocational groups," *i. e.*, guilds. No other country has such a labor movement.

SOCIAL ACTION DEPARTMENT,
NATIONAL CATHOLIC WELFARE CONFERENCE.





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THE AMERICAN LABOR MOVEMENT

REV. FRANCIS J. HAAS, PH.D., LL.D.

MANY persons, Catholic and non-Catholic alike, frequently find themselves asking: What is the Catholic position regarding labor unions? When did the labor movement originate? What is its present strength and why is it only what it is? What is its place in our national life? These and related questions are answered briefly in the pages that follow.

Effects of Industrial Change

On May 15, 1891, in the Encyclical, *The Condition of Labor*, Pope Leo XIII affirmed:

The ancient workmen's guilds were destroyed in the last century and no other organization took their place. Public institutions and the laws have repudiated the ancient religion. Hence by degrees it has come to pass that working men have been given over, isolated and defenceless, to the callousness of employers and the greed of unrestrained competition (p. 2).

These sentences give a bird's-eye view of employer-employee relationships from the rise of the factory system one hundred and fifty years ago down to the present time. It is generally known that the Industrial Revolution was ushered in with the invention of power-driven machinery in the latter decades of the eighteenth century. It is not so generally realized that upon the coming of the Industrial Revolution, protective controls on wages, hours, and working conditions were abolished and the social and economic status of the working population was completely altered.

From 1775 to 1825 manufacturing industry ex-

panded with almost explosive energy and, at the same time, so far as working people were concerned, there came a complete break with the past. France in 1791 through the Le Chapelier Law, and England in 1799 and 1800 through the Anti-Combination Acts and later in 1814 through repeal of the guild regulations embodied in the Law of Apprentices which had been in effect since 1562, outlawed workers' unions and compelled the worker, "isolated and defenceless," to bargain individually with the employer, large or small. Our country from 1805 to 1850, through resort to the common-law doctrine of conspiracy, likewise prevented workers' organizations from springing up or extending their influence. The net result was that in the industrial countries neither workers (with the exception of the small minority organized surreptitiously) nor the general public had any voice in the fixing of wages, hours, and working conditions, and sole power was vested in employers and later in gigantic corporations. With the exception noted, employers bought labor in the "open market" on such terms as they were willing to grant, the only effective restriction on their freedom being the circumstance that the number of workers competing for jobs was not unlimited. Clearly, the lot of the worker had changed.

Justice Requires Job Competition to Be Controlled

With between eight and eleven million Americans unemployed in 1937, the problem at hand is: How can competition among workers be regulated, so that no worker will be compelled by necessity to offer to work either for less than an amount sufficient for him to live and to do his part to provide steady employment for all other workers, or for hours longer than the standard (perhaps 30 per week) required to give employment to all others willing and able to work? How can the

unscrupulous employer be prohibited from, as well as the fair employer be protected against, paying an employee wages below, or from keeping him at his work place for hours above, these requirements?

All Catholic pronouncements on labor unions and labor legislation meet these questions squarely and propose effective remedies. In 1891 Pope Leo XIII declared that a wage is not necessarily just because an individual worker consents to it. He may agree "through necessity or fear of a worse evil" for the reason that "an employer or contractor will give him no better" (p. 28). In such cases "he is the victim of force and injustice." For the individual worker this is bad enough. But the evil goes much farther. Victim of force and injustice, the individual bargainer, without intending it, victimizes fellow workers. Willing, or rather compelled by necessity to be willing (obviously a contradiction), to accept inadequate wages or to work long hours, he puts the employer—in the United States usually a corporation—in a position to secure other laborers at similar terms. In economic language, he forces others, both those seeking work and those working, to compete with him and in consequence, tends to force his wages and hours on them.

As only about twelve per cent of all employable persons in the United States are under collective bargaining contracts negotiated by unions (an additional ten per cent being under company union plans), approximately eighty-five per cent are obliged to bargain individually with employers, and the general level of wages and hours, certainly of the unskilled, is that accepted by the weakest bargainers, as a rule the most necessitous. In final analysis this is the explanation of the low wages prevailing in the unorganized (individual bargaining or "open shop") industries in the United States.

Industrial Boards to Regulate Wages, Hours, and Working Conditions

The Encyclical, *The Condition of Labor*, exposes as false and unreal, the claim, asserted far more frequently by employers than by employees, that the individual worker should be free to work "where, when, and for whom he pleases." Actually, the typical factory operative has no such freedom. Besides, as the Encyclical shows, the freedom which he does exercise, that of competing with his fellows for jobs, is most pernicious, degrading both him and all who compete with him. The remedy, according to the Encyclical, is a system of industrial joint boards, clothed with government authority, to control job competition. It declares that "in order to supersede undue interference on the part of the State" wages, hours, and sanitary conditions should be submitted to the decision of "societies or boards" (the official Latin reads, *satius erit eas res iudicio reservare collegiorum*) (p. 28). The *collegia* (societies or boards, or better guilds) would be constituted of employer and worker representatives, chosen by the persons they represent, and the government would be "asked for approval and protection" of their decisions.

Freedom to Choose Representatives Essential

The key pillar in this whole plan is freedom of choice in selecting representatives. Without equal freedom for employees and employers, the papal proposal means nothing. In the United States, employers (corporate and individual) enjoy this freedom to the fullest. Their liberty to combine in trade associations (which now number upwards of 1,600) and to select such directors, managers, secretaries, legal advisers, and publicity experts, both national, state and local, as they desire, has

not been called into question. But the exact opposite is the case among workers. Only a negligible number—4,000,000 out of a possible 33,000,000—have succeeded in winning freedom to organize and to be dealt with through such officials as they wish to represent them.

How this unjust condition came to pass, together with the inequality in wage bargaining which it effectuates, will be explained in later paragraphs. At this point the question is rather, What is the Catholic position on the right of workers to form unions and select whatsoever representatives they desire to be their spokesmen?

Leo XIII on Right to Organize

In 1891 Pope Leo XIII declared that the right of workers to form unions is a natural right (p. 31). It proceeds from the same source in men as that which impels them to set up governments. Accordingly, when the employees in a shoe factory, steel mill, insurance office, or any other establishment combine in a union they exercise a right no less inherent in them than did Anglo-Saxon free men when they established a local government or the Founding Fathers of our country when they established the United States of America. Leo XIII explains that associating for economic purposes (as in organizing a union) and associating for political purposes (as in forming a government) are protective manifestations of the same inherent propensity,—the individual's "experience of his own weakness" which urges him "to call in help from without." "It is this natural impulse which unites men in civil society" (p. 30). The same tendency, the argument runs, prompts them to unite in labor organizations. Consequently, even a government cannot, without contradicting "the very principle of its own exist-

ence" prohibit workers from forming unions to protect and further their interests (p. 31).

Pursuing this reasoning, the Encyclical holds that "such associations should be adapted to the age in which we live" and "they should multiply and become more effective" (p. 30). In addition: "All such societies, being free to exist, have the further right to adopt such rules and organization as may best conduce to the attainment of their objects" (p. 34).

Corresponding to the worker's right to form unions is the employer's obligation to deal with them. In Catholic teaching this obligation rests ultimately on the moral duty which the owner of industry has to treat with the worker as a brother, made a brother under God the Father, through His Divine Son Jesus Christ. In modern industry, as at present constituted, spiritual brotherhood can be realized only in collective bargaining negotiations wherein employers' representatives and workers' representatives meet as equals, seeking to determine wages, hours, and working conditions, fair to each and all. Needless to add, the same obligations of spiritual brotherhood rest with the employee. He is required to regard the owner of industry as an equal, entitled to fair compensation for the essential function he performs. No less, he is required to hold his fellow workers in the same regard. Specifically, this means that he has the duty to join and support his union, for by not affiliating he helps to keep alive unjust competition, ruinous to others as well as himself.

Other Pronouncements on Right to Organize

The preceding are the more important earlier declarations with reference to modern labor organization. They were taken over and made part of all later pronouncements on the subject.

On June 5, 1929, the Sacred Congregation of the Council, in reply to an appeal of M. Eugène Mathon, on behalf of the Federation of Employers of the Roubaix-Tourcoing district in France, declared in a letter to Monsignor (now Cardinal) Liénart, Bishop of Lille:

The Church recognizes and affirms the right of employers and workers to form industrial associations, whether separately or together, and sees in them an efficacious means towards the solution of the social question.

The Church, under existing circumstances, considers the formation of these industrial associations morally necessary.

The Church urges the formation of industrial associations.

It is the desire of the Church that industrial organizations should be instruments of peace and concord, and with this object in view she suggests the institution of joint committees as a bond of union between them.

American Bishops on Right to Organize

Like pronouncements have been made repeatedly by the Catholic Bishops of the United States. The program of Social Reconstruction issued by the Administrative Committee of Bishops of the National Catholic War Council, January, 1919, reasserted the right of labor to organize and urged: "It is to be hoped that this right will never again be called in question by any considerable number of employers." The identical position was repeated in 1933 by the seven Bishops of the Administrative Council of the National Catholic Welfare Conference, and on April 13, 1934, the General Secretary of the Conference addressed a letter to the Chairman of the Committee on Education and Labor,

United States Senate, in support of the National Labor Relations Bill, saying among other things:

The worker can exercise his God-given faculty of freedom and properly order his life in preparation for eternity only through a system which permits him freely to choose his representatives in industry. From a practical standpoint, the worker's free choice of representatives must be safeguarded in order to secure for him equality of contractual power in the wage contract. Undue interference with this choice is an unfair labor practice, unjust alike to worker and the general public (Committee on Education and Labor, U. S. Senate, 73rd Congress, Second Session, Hearings on S. 2926, p. 1027).

Pius XI on Occupational Organization of Society

On May 15, 1931, in the Encyclical, *Forty Years After, Reconstructing the Social Order*, Pope Pius XI, reaffirming the doctrine of the right of workers to form unions, and using this as a foundation, proposed and urged the establishment of an occupational or guild society. According to this plan employers and employees would be organized by industries, the employers in their association and the employees in theirs. Each association would freely choose its representatives who, after conference and negotiation, with the government "directing, watching, stimulating and restraining" would be authorized to determine wages, hours, profits, prices, and output for their industry (p. 28). Moreover, each industry organized and functioning in this way, would certify representatives from its employer and employee associations to a national council, likewise assisted by the government, which council would have final control over all wages, hours, profits, prices, output, and interest rates,—virtually

the entire productive and distributing machinery of the nation. In this way, the common good of each industry and of all industries would be protected and advanced.

From this outline it need hardly be said that the plan contemplates no political dictatorship. In fact, it proposes the very opposite—its aim being to allow the fullest possible expression of freedom for the individuals and occupations making up the nation.

Pius XI on Right to Organize

As this proposal for organized social justice rests on free representation, little can be done to make it a working reality until employers recognize the right of wage-earners and salary-receivers freely to organize and select representatives of their own choosing. The movement, however, may be assisted greatly by government stimulation of self-organization through the functioning of such agencies as the Social Security Board.

In our country the first bridge to cross is a frank and unequivocal acceptance by employers that employees may combine in autonomous associations (not company unions) and select the representatives whom they desire to speak for them. Inasmuch as this right is now enjoyed by so small a percentage of gainfully employable persons, it is evident that attention must be concentrated on the extension of this right to, and its free exercise by, the entire working population.

On this point the Encyclical, *Forty Years After*, is very explicit. It recalls the insistence of *The Condition of Labor* that "not only is man free to institute these unions which are of a private character, but he has the right to adopt such organization and such rules as may best conduce to the attainment of their respective objects." Further, as if speaking in particular to coun-

tries such as our own in which unionism is little more than in embryo, it adds that such free unions should "prepare the way and do their part towards the realization of that ideal type of vocational groups which we have mentioned above" (p. 28). In other words, free unions must first be established voluntarily and by government assistance, before the higher form of guild organization, outlined above, can be set in operation.

Manifestly, the first step to be taken is the formation of free unions throughout all industry. On the part of workers, it is their duty to organize; on the part of employers, to recognize and deal with workers' organizations. Governments, says the Encyclical, may not, as generally they have done since 1790, oppose workers' associations. To do so is "criminal injustice," a violation of an "innate right" of man (p. 11). It is gross injustice for the civil authority to recognize and patronize "similar organizations amongst other classes" and deny the parallel right to those who need them most "for self-protection against oppression by the more powerful." Happily, since 1933, our federal government has abandoned its almost unbroken policy of grudging toleration of, if not outright opposition to, workers' unions, and has fostered and furthered their growth. In doing so it has adopted a policy quite in accord with the Encyclical teachings.

More Important Events in American Labor History

Among the first crafts to organize were the shoemakers in Philadelphia in 1789 and the cabinet and chair makers in New York in 1796. Conventions seeking to unite local unions in a national body were held in New York in 1834 and 1835, but the movement toward national federation died during the five-year depression of 1837 and did not revive until 1866.

In 1869 the craft unions were all but extinct and

the Knights of Labor, a secret organization with hand-grips and mystical paraphernalia, came into being in Philadelphia. It accepted as members persons of all trades and callings, employers as well as wage-earners, and excluded only "lawyers, bankers and rum-sellers." By 1883 it had a total membership of 67,000, and by 1886, at the peak of its power, of 750,000. After this year, following the unsuccessful Southwestern Railway strike, it began to be supplanted by the American Federation of Labor (A. F. of L.).

The A. F. of L. organized in Pittsburgh in 1881, with a handful of skilled crafts, increasingly challenged the position of the Knights of Labor, and after 1887 the Knights dwindled as the Federation grew. By 1890 the Federation was in control, and by 1897 the total membership in all unions had risen to nearly 450,000.

Within this early period, there occurred the Haymarket riots in Chicago, in May, 1886, arising out of a strike at the McCormick Harvester Co. in which fifteen persons were killed and one hundred and ten injured; the Homestead riots near Pittsburgh in July, 1892, growing out of the struggle over organization between the Amalgamated Association of Iron, Steel, and Tin Workers and the Carnegie Steel Co., aided by three hundred Pinkerton hired guards, in which at least twelve persons lost their lives and an undetermined number were seriously injured; and the Pullman strike in Chicago in July, 1894, broken by the indictment of Eugene V. Debs, President, and other officers, of the American Railway Union, and by the arrival of regular troops under orders of President Cleveland.

In 1898 the total membership of all trade unions was 500,000; in 1901, 1,100,000; in 1904, 2,000,000. Craft unionism had triumphed. The period had wit-

nessed a constant campaign by the A. F. of L. for industrial legislation, the use of the union label and of the boycott against "unfair" employers.

Within the period that followed, the more important events included: establishment in 1913, of the United States Department of Labor; enactment in 1916, under pressure of the powerful Railway Brotherhoods, of the Adamson law for an eight-hour day on railroads; participation of the A. F. of L. on War Labor Boards during the World War; and from 1910 to 1920 drives among employers for greater organization to oppose unionization. On June 17, 1933, Congress passed the National Industrial Recovery Act embodying the now famous Section 7a, which permitted workers freely to organize, but on May 27, 1935, the Act was declared unconstitutional by the United States Supreme Court. Later, on July 5, 1935, Congress enacted the National Labor Relations Act, which declared certain acts by employers to be "unfair labor practices" and created a board of three impartial persons to hear complaints and make rulings subject, however, to review by the Federal Courts. This Act is now before the United States Supreme Court on a test of its constitutionality.

A. F. of L. and C. I. O.

At present a bitter conflict rages between the A. F. of L. and the Committee for Industrial Organization (C. I. O.). The C. I. O., headed by John L. Lewis, and consisting originally of ten A. F. of L. national unions, was formed in January, 1936, to organize workers in mass-production industries, not on craft, but industrial lines. (For illustration, in the building industry, workers are organized in separate trades—the carpenters' union, the bricklayers', the electricians', etc.—twenty-one in all. In the coal mining industry, all

persons working in and around mines, whether coal miners, carpenters or electricians, or whatever their duties, are eligible to membership in a single industrial union.) The C. I. O. represents a membership in excess of 1,000,000 as against a membership of approximately 2,500,000 still in the A. F. of L.

The A. F. of L. is a loosely knit federation of 111 national and international unions (so-called because of membership in Canada)—consisting for the most part of skilled craftsmen—each self-governing and autonomous in the kind of work given it in its charter of affiliation. Each has its national officers, manages its own affairs, and jealously guards its jurisdictional boundaries. The twenty-one building trades in the Federation are typical craft organizations and form the backbone of the Federation. About three-fourths of all trade unions are craft unions.

The theory of the A. F. of L. is that workers should be organized on craft lines, but A. F. of L. officials cite the resolutions adopted at the San Francisco Convention in 1934 favoring industrial unionism in the automotive, cement, aluminum, and steel industries, as proof that the A. F. of L. is not committed exclusively to craft organization.

At the Atlantic City Convention, in 1935, C. I. O. leaders protested that the San Francisco resolutions had not been carried out, and offered a resolution urging industrial unionism for certain mass-production industries. The resolution lost by a vote of 10,933 in favor and 18,024 against. Shortly thereafter the industrial union proponents banded themselves together under the name of the C. I. O. to "work in accordance with the principles and policies" which they had supported at Atlantic City. Public letters passed back and forth between William Green, President of the A. F. of L. and John L. Lewis, Chairman of the C. I. O.,

and the controversy culminated in a resolution passed at the Tampa Convention in November, 1936, confirming a conditional suspension of the C. I. O. unions previously ordered by the Executive Council of the A. F. of L. effective as of September 5, 1936. At the present writing the suspension is still in effect.

Space limitations do not permit examination of the opposing arguments in the dispute. All that can be said is that a settlement should be negotiated which will protect the equities of the hundreds of thousands of craftsmen who have invested years of apprenticeship in training for their crafts, and at the same time make it possible for the twenty-five million or more wage-earners, for the most part unskilled or semi-skilled, to enjoy the benefit of organization and collective bargaining.

Present Strength of Organized Labor

Present membership of labor unions in the United States is slightly in excess of 4,000,000, nearly 400,000 of whom are women. Membership is strongest in building construction and transportation, and weakest in manufacturing. As the total number of wage and salary receivers is, according to the last census, 33,000,000, it is evident that the movement has not made rapid progress.

Opposition to Trade Unionism

The chief cause of the numerical weakness of American labor unions is the opposition of employers. Other causes, later to be enumerated, also operate, but employer hostility far overshadows the rest. This can be readily understood. Union organization removes or at least narrows the disparity between the bargaining power of the individual wage-earner and that of the employer, thereby, as the employer calculates, increasing wages at the expense of profits.

The anti-union policy of American industrialists had its origin in railroad management in Pennsylvania, from thence extending to other industries. The traditional attitude of large-scale industry in the United States is expressed in a resolution passed by the executive committee of the United States Steel Corporation on June 17, 1901:

That we are unalterably opposed to any extension of union labor, and advise subsidiary companies to take a firm position when these questions come up and say that they are not going to recognize it; that is, any extension of unions in mills where they do not now exist; that great care should be used to prevent trouble and that they promptly report and confer with this corporation.

Obstacles to Union Growth

The failure of the American Labor Movement to grow may be attributed to two sets of forces, one operating outside and the other inside the movement. The obstacles from without fall into two classes—direct action by employers and indirect action by them through government.

Direct Action by Employers

Direct action by employers against unions takes the following forms:

(1) Discrimination. In anti-union establishments persons known to be union members are either discharged, or "laid off" and not called back; demoted or, in the distribution of work in slack times, given less than their equitable share. Discrimination is the most effective means of preventing organization, and is the major cause of strikes and industrial unrest. Of the 865 complaints filed with the National Labor

Relations Board from August 27, 1935, to June, 1936, 316, or more than one-third, alleged discrimination for union activity.

(2) Espionage. The purpose of espionage is to supply the employer with information that will enable him to blacklist union members or officers. There are between 40,000 and 50,000 labor spies operating in American industry and some 200 private agencies furnishing spies and strikebreakers to employer clients. In addition, many corporations maintain their own labor espionage systems, in some cases paying the spies' dues in labor organizations and in the Communist Party.

(3) "Yellow dog" contract. The "yellow dog" (in the 1880's called the "iron clad") contract is an individual non-union contract which a worker is required to sign as a condition of employment, obligating him if a union member, to discontinue such membership and if not a member, to refrain from joining a union while in the employ of the firm in question. The "yellow dog," especially when enforced by court injunction, as issued in the West Virginia coal fields in the 1920's to restrain organizers from attempting to organize miners who had signed such contracts, has been an exceedingly potent instrument in preventing organization. Some limitations have been placed on the use of the "yellow dog" contract (*e. g.*, the Erdman Act of 1898, forbidding its use on the railroads, and the Norris-LaGuardia Act of 1932 denying it status before Federal Courts), but in most state court jurisdictions it remains in full force and effect.

(4) Company unions. The company union, ordinarily initiated and not infrequently dominated by the employer, has one distinctive feature differentiating it from free or "outside" unions. Under nearly all company union plans, officers must be chosen from

among persons on the company payroll, whereas under union collective bargaining, no officer need be chosen from among the company's paid personnel. The difference is vital. Under the company union arrangement the employer, because he controls the jobs of the company union officials, virtually controls their bargaining with him. Obviously, he has no such control over bargaining when dealing with a free union. In consequence, the free union is enabled to secure more favorable terms for its members than can the company union. The company union movement spread during the World War, increased more than threefold (400,000 to 1,300,000 employees covered) from 1919 to 1926, lagged during the late 1920's, took on new life as free organization increased during the NRA, and at present has a total coverage (approximately 4,000,000) probably equal to that of free unions. Company unionism has during the past two decades been an extremely important factor in checking the spread of autonomous union organization.

(5) Moving of plant. In the lighter industries, notably in shoe, textile, and garment manufacturing, where investment is not heavy and machinery not difficult to transport, many employers prevent unionization by moving to small villages accessible to cheap labor on surrounding farms. In numerous instances the same result is obtained without moving, by causing rumors to be spread that "the company is going to move." The exodus of garment factories from New York to Connecticut and Pennsylvania, of shoe factories from Massachusetts to Maine and New Hampshire, and of cotton textile mills from New England to the South in order to obtain cheap labor is notorious. There is no way of measuring statistically the adverse effects of such migration, or threat of migration, on unionization, but it is generally recognized as

one of the chief barriers to collective bargaining in the lighter industries.

(6) "Company towns." In not a few areas in the mining, steel, lumber, and paper and pulp industries, corporations maintain "company towns." The workers' dwellings, stores, and public halls are company property, and the threat of eviction together with compulsion to trade at the company store—often at exorbitant prices, as government studies have frequently shown—not only prevent unionization but keep the working population in a state of peonage and serfdom. Among the objectives won by bituminous coal miners, through the signing by President Roosevelt on September 18, 1933, of the NRA Bituminous Coal Code, was the right of the miners to have their coal weighed, to be paid "semi-monthly in lawful money," and not to be required "as a condition of employment to live in homes rented from the employer" or "to trade at the store of the employer" (Art. V).

(7) Anti-union drives. The most recent example of direct anti-union or "open shop" drives sponsored by industrialists is the "American Plan" campaign of 1919 to 1922. Through paid advertisements, literature, and speeches, it sought to break up unions formed under the protection of the War Labor Board. Millions of dollars were spent on the drive, which in the main achieved its goal. It contributed in no small degree to the drop in union membership from over 5,000,000 in 1920 to less than 3,500,000 in 1929.

(8) Hostile press. The newspaper publishing industry of the United States is for the most part opposed to union organization. Probably two-thirds of the influential newspaper publications of the country, both in editorial and news-featuring policy, are aggressively opposed to unionization. Of the remainder, some maintain a policy of "balancing," and others

—only a very small number—advocate unqualifiedly the right of workers to organize and bargain collectively. Newspaper properties are usually owned by large corporations, interlocked with industrial and banking interests, and naturally reflect the labor policies of their owners. In view of this fact they must be reckoned as an important barrier to the progress of unionization.

Indirect Action By Employers

Indirect action by employers, through government, to prevent union organization include:

(1) Pressure on national and state legislatures. As far back as 1776 Adam Smith wrote that the law “authorizes, or at least does not prohibit their [employers’] combinations, while it prohibits those of the workmen.” This has been the almost uninterrupted policy of governments from the time of Smith down to the recent present, and pressure from employers’ associations, national and local, has sought to keep it so, particularly through lobbying. An examination of the list of witnesses who appeared against the Wagner National Labor Relations Bill when it was before the Committee in 1934 will show that powerful employers’ associations are bitterly opposed to having the Federal Government outlaw certain “unfair” labor practices, thereby permitting workers to form their own organizations. Under this heading should also be placed company control of local public officials in “company towns” and frequently also in other localities in which a single corporation is the largest employer of labor in the community. Clearly under such conditions self-organization is rendered extremely difficult, if not impossible.

(2) The labor injunction. Since the Pullman strike in 1894, and particularly since the enactment of

the Clayton Act in 1914, employers, usually appealing for an application of the doctrine of conspiracy, have petitioned the courts for, and have been granted, writs of injunction against workers, the effects of which have been to defeat legitimate organized action, and to break strikes however justified. In some instances, for example, forbidding third parties to furnish strikers with food, the orders have been so extreme as to bring the courts into disrepute. Even more anomalous, individual judges have during the past two years enjoined the National Labor Relations Board, a regularly constituted agency of the United States Government, from holding hearings or supervising elections in order to avert strikes. The injunctive process in labor cases is an American development and, according to some veteran trade union officials, has done more than any other instrument to impede organization work in the United States.

(3) Use of police and troops. During strikes local police are commonly used to protect property and suppress disorder, but if the situation gets beyond control, it is customary to call in the state militia. In one strike, that of the Pullman employees in 1894, the Federal Government called out the regular troops on the plea of protecting and delivering the mail. At times, naturally, the use of force may become necessary to preserve order and prevent bloodshed. The paramount consideration is the motive behind its use and the purpose to which it is put. The chief executive of a state may, under employer-pressure, order out the militia to intimidate strikers and force them back to work. Probably in most of the cases in which martial law has been declared in industrial disputes in the United States during the past fifty years authorities have been inspired, consciously or unconsciously, by this purpose. Recent notable exceptions are the decla-

ration of martial law by the late Governor Floyd B. Olson in the Minneapolis Truckdrivers' strike in 1934, and by Governor Frank Murphy in the Michigan Automobile "sit-down" strike in 1937.

Obstacles Within the Labor Movement

The major obstacles within the labor movement which have barred the progress of organization of workers are:

(1) Largeness and diversity of numbers. Compared with employers, workers are far more numerous and consequently far more difficult to organize. Organization among wage-earners must be carried on more or less in public, and has to contend with diversity of education, race, religion, nationality, outlook, skill, income, and politics. Employers, fewer in number, can meet more readily and privately to transact their business. Their economic interest is above disunifying forces. Divergence in number and in composition of the two groups has aided powerfully in consolidating the one and disorganizing the other.

(2) Indifference of workers. Generally during "prosperity" periods, especially if bonuses are distributed and welfare activities extended, workers become apathetic to organization. Ironically, "prosperity" years should be the most favorable time for organization, as in slack times jobs are fewer than persons seeking them, and those who have employment are unwilling to risk whatever income they have on the chance of losing it entirely. These observations should not be interpreted to mean that workers are opposed to self-organization or that they prefer company unions. Impartial elections held during the past three years by federal labor boards to decide between independent and company unions show a gen-

eral tendency of two-thirds of the votes registered for the former and one-third for the latter.

(3) Structure of American labor unions. Broadly speaking, three-fourths of the American labor unions are craft organizations, built up and financed by the skilled and better paid. Into this organizational structure, mass-production workers, generally unskilled or semi-skilled, and numbering several millions, have not found it easy to adapt themselves, and accordingly have not become part of the organized labor movement. Essentially this is the nub of the controversy between the A. F. of L. and the C. I. O. The A. F. of L. insists that there is room for both skilled and unskilled in the Federation, and that, in recognition of the need of both craft and industrial unions, it has over the course of years modified its structure accordingly. The C. I. O. replies that these changes have not been effected rapidly enough to permit mass production workers to organize and as a result the C. I. O. must, if necessary, carry on independently of the A. F. of L.

(4) Jurisdictional disputes. Quarrels between unions, chiefly in the construction industry, over jurisdictional lines marking off the work of one trade from that of another, have been and remain a fruitful source of bad will, and by causing waste and annoyance both to contractors and owners have served to turn a considerable section of the public against union organization. A jurisdictional dispute is in essence a strike for work of one group of tradesmen against another. Happily a Board of Jurisdictional Awards in the construction industry, presided over by a single arbitrator, has recently been established, which gives real promise of removing the causes of conflict.

(5) Lack of funds. Treasuries created from per capita taxes collected from wage-earners are, as may be expected, relatively small. Lack of funds has

caused three great needs to go unmet, with the result that progress in organization has suffered. These unmet needs are: Sufficient number of organizers, support of strikers in time of strike, and provision for training technical experts to negotiate piece-work and hourly rates, hours, and standards of production, with employers.

(6) Occasional racketeering. Dishonesty in handling union funds, formation of rival unions to exact tribute from employers, and selling out strikers in strike settlements—these are not common, although not unknown, phenomena in labor history. The present Dewey investigation of union racketeers in New York City has brought to light practices known to exist for years in certain industries in some of the larger cities. Such practices, as can be readily understood, have kept large numbers of wage-earners from joining unions. But it cannot be emphasized too strongly that the conditions described are by no means general, and that the vast majority of union officials are men of idealism and unquestioned integrity.

(7) Loss of leaders to industry and politics. Many active union members and officials, attracted by large salaries and the hope of promotion, have joined the ranks of management. A considerable number, too, have gone into politics. Undoubtedly the organized labor movement has been retarded by the loss of the leadership and abilities of these men.

(8) Spirit of defeatism. Some union officials, required not only to perform their regular duties—sometimes at risk of life and limb—but, in addition, bruised by the cruel conflict in which they have been decried as “agitators” or “Communists,” have with the passage of years yielded to the course of least resistance. They have resigned themselves to a willingness to retain their paid-up memberships rather than zealously to

seek new recruits. This is not difficult to understand but no doubt it has created a condition of stagnation in some organizations.

Satisfactory Experience Under Collective Bargaining Agreements

From the foregoing it might be inferred that all industrialists are opposed to collective bargaining. Such, of course, is not the case. Employers in at least five important industries—covering, however, only a small proportion of the total gainfully employed in the country—accept union organization as a fact and have, through collective bargaining with union representatives, achieved an enviable record of fair and orderly industrial relations.

Outstanding examples are the collective bargaining machinery in the railway, coal, printing, garment, and petroleum industries. In most establishments in these industries, collective bargaining through unions is not a subject of controversy. It is "finished business." Disputes may and do arise over wages, hours, and working conditions, but are adjusted in a rational and orderly way "over the conference table" between the freely chosen representatives of both sides. In some of the industries named, especially garments and printing, if the conferees are unable to agree, they choose an impartial arbitrator, usually from a panel to which both submit names, and bind themselves to accept his decision as final on all disputed points.

This is the way of reason, justice, and peace. It has worked successfully for years in preventing strikes, stoppages, and lockouts, costly alike to wage-earners, employers, and the general public. No valid argument can be offered to show why it should not be extended to industry generally. But it should not be

overlooked that the plan cannot be undertaken with the slightest hope of success until industrialists accord workers the same right which they themselves enjoy—freedom to choose their own representatives and negotiators.

The Next Steps

At present between eight and eleven million persons (approximately one-fourth of all the employable) are unemployed in the United States, denied the opportunity of earning a livelihood. No one remedy is sufficient to cope with this crushing problem or to remove the gross injustice of low wages, long hours, "speed up" and "stretch out" now bearing on a large section of those who are employed. A combination of remedies is needed. Some are voluntary, resting on motives of conscience and civic duty; others are compulsory, invoking governmental restraint. Among the more urgent are:

(1) The men in control of American industry should recognize the right of wage and salaried workers to organize in unions and should deal with these unions.

(2) Wage and salaried workers should join and support unions of their craft, industry, or calling.

(3) Congress should, either through an amendment to the Constitution or by exercising a power which some constitutional authorities hold that it possesses, enact minimum-wage and maximum-hour laws to be observed in all establishments in the United States, and, when necessary, put governmental "approval and protection" back of collective agreements.

(4) The Federal Government should extend the Federal Works Program, including low-priced housing projects.

(5) The Federal Government should coördinate

the various public employment agencies under a single Federal Employment Service, combining its work with the Unemployment Insurance Division of the Social Security Board and the Public Works Program.

(6) The Federal Government should take a national census of unemployment and, in coöperation with state and local unemployment offices, report monthly on unemployment. It should require, through state labor commissions, all employers to file hours and wages of all employees.

Justice and Charity Essential

The labor movement is basically a coöperative movement, calling for considerable self-abnegation in the interest of the whole body. Unless both officers and members are steeped in this spirit, labor organization tends to degenerate into "business unionism"—personal or group selfishness. Catholic teaching on labor unions urges altruism and coöperation, but it raises them to a higher order and gives them a greater effectiveness and permanence, by insisting that they be practiced in the form of Christian justice and charity out of love of God. Accordingly, it gives the movement a spiritual motivation. With this spirit pervading labor unions—between union members, between unions, and between unions and employers' associations—the labor movement cannot but protect and further the interests of the working population, and play its rightful part in the economic and social life of the whole people.

APPENDIX

"Organization of employees into free unions is a right and a necessity. A collective bargain, the union representing the employees, is now the only approximately equal bargain; an equal bargain is the only free bargain and the only one that can start with the basic justice of the living wage and move onward toward employment conditions that will tend to secure steady employment and a high standard of living for all. This is true whether the bargainers on the other side are competitive owners, or private dictators, or an NRA or a Fascist State, or a collectivist State.

"Yet if collective bargaining is the sole safeguard of employees, one class of organized owners and creditors lines up on one side, seeking more power and profits, and another class of dependent and propertyless employees lines up on the other, seeking a measure of decent living. The striving for social justice becomes strife, conflict, finally social war and a road to destruction. . . .

"The essence of the Pope's program [of Pius XI's 'Reconstructing the Social Order'] is a system of occupational groups. In each industry the occupational group should include all interested parties: labor as well as capital; employees as well as employers. Employers and labor and the other subdivisions of other occupations would keep their rights of separate assemblage and vote inside the occupational groups and their right of separate organization. These groups, says Pope Pius XI, would 'bind men together not according to the position which they occupy in the labor market but according to the diverse functions which they exercise in society.' . . . In striving to understand the structure and function of occupational groups it is . . . helpful to compare them with institutions within our own experience: the trade associations, the code authorities and the codes of fair practice which functioned under the NRA. If employees had been represented (adequately, of course) in the associations which drew up the NRA industrial codes and in the 'authorities' which administered the code provisions, the NRA and its institutions would have been fairly comparable with the proposed occupational groups. Had the NRA been permitted to continue, it could readily have developed into the kind of industrial order recommended by the Holy Father.

"Three other modifications of the NRA structure are needed for an adequate and just economic order. (a) Economic self-government should be extended to farmers and to the professions. (b) A council or federation should be formed, of all the organized industries and professions, to handle their relations to one another and to the whole community. (c) Government

should have the power not only to prevent wrong but to be a positive agent in promoting the common welfare.

"This organized economic life would range over the whole field of social justice—quantity of production, quality, prices, steadiness of work, wages and salaries, hours of work, training of personnel, social insurance, methods of work, capitalization, interest, profits and credit. . . .

"Employees would have the knowledge and power to use their organizations for social justice to themselves and social justice in output and prices for all the people. They could pursue their own welfare without an endless future of strikes or suppression and serve the community without fear of betraying their own interests."—*Organized Social Justice*.

N. C. W. C. STUDY CLUB OUTLINE

I. Effects of Industrial Change

1. What have been employer-employee relationships during the last 150 years?
2. What, according to Pope Leo, are the causes, and what part did the Industrial Revolution play in it?
3. Through what legal devices did France, England and the United States prevent the organization of workers in the late eighteenth and early nineteenth centuries? What was the result?
4. Review of "Rugged Individualism" (*Social Action Series*. The Paulist Press).

II. Job Competition

1. Why is a wage not necessarily just if an individual worker consents to it? How does individual worker's bargaining affect other workers?
2. What is the explanation of the low wages prevailing in unorganized industries in the United States?
3. Describe the remedy advocated by Pope Leo to control job competition, as to
 - (a) Function,
 - (b) Employers,
 - (c) Employees,
 - (d) Government.
4. Give figures to indicate that employers and employees in the United States do not have equal freedom in selecting their representatives.

III. The Right to Organize: Catholic Teaching

1. Discuss the statements of Pope Leo XIII that
 - (a) The right of workers to form unions is a natural right,
 - (b) Unions must be adapted to the age,
 - (c) They must be free to make their own rules.
2. Discuss the obligations of spiritual brotherhood on employer and employee with regard to:
 - (a) Collective bargaining,
 - (b) Fair compensation,
 - (c) Union membership.
3. What are the four points on industrial organization and co-operation made in the Letter of the Sacred Congregation of the Council, June 5, 1929?
4. Discuss statements on the right to organize in:
 - (a) Bishops' Program of Social Reconstruction, 1919. (N. C. W. C.)
 - (b) Bishops' Statement on the Present Crisis, 1933. (N. C. W. C.)
 - (c) Letter of N. C. W. C. General Secretary, 1934.

IV. Pius XI's Guild Society

1. Discuss the Guild Society advocated by Pius XI in relation to:
 - (a) Employer and employee organization,
 - (b) Choice of representatives,
 - (c) Coöperation of representatives for an industry,
 - (d) The part of government,
 - (e) A national council and its functions,
 - (f) A political dictatorship.
2. Discuss the possibility of attaining this society in the light of:
 - (a) The right of union organization and its extension,
 - (b) Government help,
 - (c) Employer organization.
3. Why, according to Pope Pius XI, have not governments the right to oppose workers' organizations? Discuss the policy of our government before and after 1933 in relation to this.
4. Review of the Appendix.

V. American Labor History

1. Discuss:
 - (a) Early labor union organization and movements,
 - (b) Knights of Labor,

- (c) American Federation of Labor: as to
 - (1) Date and place of organization,
 - (2) Membership,
 - (3) Decline of (b).
- 2. Discuss:
 - (a) Early labor troubles—Haymarket and Homestead riots and Pullman strike.
 - (b) Increase of trade union membership between 1898 and 1905 and the three points of the A. F. of L. campaign during that period.
- 3. Date and discuss importance of:
 - (a) Establishment of U. S. Department of Labor,
 - (b) Adamson law,
 - (c) A. F. of L. participation in War Labor Boards,
 - (d) Employers' drives against unionization,
 - (e) NRA,
 - (f) National Labor Relations Act.

VI. A. F. of L. and C. I. O.

- 1. Compare the C. I. O. and the A. F. of L. as to:
 - (a) Organization,
 - (b) Purpose,
 - (c) Membership.
- 2. Did the A. F. of L. ever advocate industrial unionism for any occupations?
- 3. Give an historical account of the split between the two groups.
- 4. What two elements should be taken into account in effecting a settlement?

VII. Strength of Organized Labor

- 1. Discuss the following elements of the present membership in United States labor organizations:
 - (a) Total number,
 - (b) Number of women,
 - (c) Strongest organization,
 - (d) Weakest organization,
 - (e) Relation to total number of wage-earners.
- 2. What is the chief cause of the numerical weakness of the unions?
- 3. Discuss origin and growth of anti-union policy of American industrialists and instance traditional attitude.

VIII. External Obstacles

1. Discuss in detail external obstacles to union growth:
 - (a) Direct action by employers:
 - (1) Discrimination,
 - (2) Espionage,
 - (3) "Yellow Dog" contract,
 - (4) Company unions,
 - (5) Moving of plant,
 - (6) Company towns,
 - (7) Anti-union drives,
 - (8) Hostile press.
 - (b) Indirect action by employers through government:
 - (1) Pressure on national and state legislatures,
 - (2) The Labor Injunction,
 - (3) Use of police.

IX. Internal Obstacles

1. Discuss in detail internal obstacles to organization:
 - (a) Largeness and diversity of numbers,
 - (b) Indifference of workers,
 - (c) Structure of American Labor Unions,
 - (d) Jurisdictional disputes,
 - (e) Lack of funds,
 - (f) Occasional racketeering,
 - (g) Loss of leaders to industry and politics,
 - (h) Spirit of defeatism among officials.

X. For Better Conditions

1. Cite five industries in which satisfactory negotiation through collective bargaining has been completed. How is this done?
2. Discuss the following urgent steps to help employ the 8-11 million unemployed and remove unjust conditions among many of the employed:
 - (a) Recognition of unions,
 - (b) Union membership,
 - (c) Minimum wage and maximum hour legislation,
 - (d) Extension of Federal Works Program,
 - (e) Coördination of public employment agencies,
 - (f) National unemployment census and monthly reports on unemployment.
3. Discuss Catholic teaching on labor unions as to altruism, cooperation and spiritual motivation. Effects of this teaching on the movement.

SUGGESTED READINGS

- Report of the Committee of the Senate Upon the Relations Between Capital and Labor and Testimony Taken by the Committee (4 vols.), U. S. Government Printing Office, 1885.
- Industrial Commission, Report and Testimony (19 vols.), U. S. Government Printing Office, 1900.
- Commission on Industrial Relations, Final Report and Testimony (11 vols.), U. S. Government Printing Office, 1916.
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- Wolman, Leo, *Ebb and Flow in Trade Unionism*, Bureau of Economic Research, 1936.

SUGGESTIONS FOR STUDY CLUBS OR COMMITTEES ON INDUSTRIAL QUESTIONS

1. The study club is not a group to listen to lectures. It is for joint discussion. It is small—ten or twelve to twenty or so—so as to permit general discussion.
2. There is a discussion leader.
3. The group may consist of persons of various occupations and interests or of special groups, such as organization leaders, employers, professional persons, clerical workers, manual workers, etc. A number of small study groups established within each organization is desirable.
4. Meetings are once a week or once every two weeks or once a month.
5. Every member should have at least the text and the outline.
6. The discussion, as a rule, follows the outline point by point. The section of the text to be discussed should be read before the meeting by each member.
7. Use questions at the end of the meeting to recapitulate.
8. Reports or papers called for by any outline should be brief.
9. The purposes are:
 - (a) So its members will know the teaching of the Church on economic life.
 - (b) So they can speak at Catholic meetings.
 - (c) So they can be leaders in the activity of Catholic organizations.
 - (d) So they can apply the teachings in their work and civic life.
 - (e) So they can guide the economic organization to which they belong.
 - (f) So that they will be better Catholics.
10. If the group is an offshoot or a part of another organization they should report their conclusions to the parent organization, because one of the chief purposes of the club or committee is to pass on their information, point of view and enthusiasm to the Catholics of their community and to make the club's work definitely a part of the parent organization's work.

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