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LABOR UNIONS: AN EVOLUTION OF INFLUENCE

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ABSTRACT

The effects of the Industrial Revolution forever changed the course of labor history in the United States and throughout the world. The advent of new technologies in essence transformed the predominantly local American economy largely based on agriculture into a national one with thriving manufacturing and goods-producing businesses. In accord with this transformation a major shift in American employment occurred. A new industrial working class was formed based on an employee-employer relationship that was largely unseen before. In response to the new business atmosphere and conditions confronting this working class, unions soon arose as a method through which the working class could voice their concerns in the marketplace. This thesis investigates the evolution of these American labor unions from the Industrial Revolution to the present in an effort to determine what conditions foster strong union influence, and if these conditions are present in the world today. First, I break down the history of American unions into three eras. For each of these eras I describe major developments and specific instances of union activity in order to provide the reader with important background information on labor history. Following this history, I analyze the successes/failures of union activity in these periods through factors such as industry concentration and economic trends in order to determine specific factors for why union influence was strong or not. These results are then extended into the future from both an American and international perspective. I argue that although union influence in the United States appears to be on a downward spiral with no clear end in sight, other developing countries across the globe exhibit certain characteristics that may prove susceptible to major union influence.
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Introduction

In the span of mere decades one of the most important aspects of individuals’ lives changed forever. Up until the 19th century, the concept of labor in the United States was generally looked on as a local or regional affair. The prevalence of wage-earners and industrialists was as of yet largely the minority as it concerned labor, and the existence of separate economic classes as was seen in the South in the plantation system was also comparatively small on the grand scale of the nation. The majority of workers at this time were of an independent, self-sustaining class who produced primarily for their own needs (History.com, 2013). Owners of individual workshops and farmers who worked their own land were thus very common in the United States.

With the coming of the Industrial Revolution, though, what was once a predominantly local economy evolved into a national one full with new and burgeoning forms of industry. Far from just affecting everyday living standards with new technologies and production, the Industrial Revolution brought with it what can be considered a revolution in labor relations. Industrial features such as central and specialized production, mass mechanization, and assembly lines overturned the conventional aspects of labor in the United States. Gone was a large proportion of the working class who could be considered independent and free of command. The Industrial Revolution created a population surge into cities and formed a labor class dependent on wages the size of which had never been seen before in the nation’s history.
The result of this new economy and the waged working class it formed was a scene of disorder. The new large-scale employee-employer relationship seemingly appeared overnight, and the United States government was naturally slow to adjust. Almost all of the social institutions and barriers that would later serve to mediate and control this new economy and its effects were absent, giving rise to so-called industrial “robber-barons” who took advantage of this new setting at the expense of the working class to amass incredible fortunes. However, it did not take long for the new working class to voice their concerns. These laborers soon recognized the power they wielded both in the industrial process and in their numbers, and this recognition brought with it the rise of unions and strikes as a voice through which they could communicate to their employers.

This thesis examines the evolution of these American labor unions from past to present in an effort to predict the influence they may have in the future. Unions have undergone dramatic changes and have experienced varying levels of influence over their employers since the Industrial Revolution. Countless changes including those in industry and the economy constantly contribute to the ebb and flow of labor union influence. The methods through which unions and the working class affect changes have also had to continuously adapt to these moving conditions.

To provide the reader with important background information on labor history I break down and present the history of labor unions in three component parts. These three parts, consisting of The Early Years of Labor, The Recognition of Unions, and Labor at the Turn of the 20th Century, are analyzed through trends in industry, public relations, and the broad economy in an attempt to determine specific factors for why union influence
was strong or not. With the information gained from this analysis, I argue that although union influence in the United States appears to be on a downward spiral with no clear end in sight, other developing countries across the globe exhibit certain characteristics that may prove susceptible to major union influence.
Chapter 1
The Early Years of Labor

In the decades leading up to and through the early parts of the 20th century, industry was in a state of adolescence and development. Following the Industrial Revolution a new, immense waged labor class emerged unlike any seen before in the United States or the world for that matter. Millions of individuals who previously worked as farmers or artisans had all of a sudden been transformed into employees as we have come to understand the term. Work for these employees became increasingly collective and a strong dependence on the hiring class had emerged.

As a result, a new social and economic system emerged in the United States. And with any new system, it is natural to expect a period of transition. The years following the Civil War and leading up to the Great Depression mark what I consider to be the experimental stage of industrial labor and unions in the United States. In these years, employees, employers, and the government constantly pushed each other back and forth in an effort to find a proper equilibrium as it concerned labor practices and power. Modern laws regulating responsible business practices had yet to be established, and unions were not recognized on a large scale by corporations until the 1930s. A free-for-all atmosphere was thus fostered during these years, which saw a labor class fighting for respect and basic rights, pitted against an often empowered employer class. In between these two sides resided the government whose primary goal was to maintain social order,
which usually came to benefit the goals of employers when they faced such things as mass strikes and demonstrations.

This chapter describes the actions and results of two major union/working class strikes in the United States in the years between the Civil War and Great Depression which I believe are characteristic of labor union activity in the early decades of American industrialism. The first strike described, known as the Great Southwest Strike, gives an example of the mass violence, chaos, and governmental intervention which so often occurred as a result of early labor activity. The ensuing description of the Seattle General Strike then gives an example of the incredible solidarity which was so characteristic of this period in labor. An analysis is then provided examining why these strikes/activities were effective or not from the standpoint of labor union influence and leverage of the time.

The Great Southwest Strike (1886)

The primary union behind the Great Southwest Strike of 1886 was the Noble and Holy Order of the Knights of Labor. Notably, the Knights of Labor differed greatly from common trade unions in the late 19th century. Trade unions at this time tended to be very exclusive and represented only the most highly skilled of workers. The ultimate goal of these unions was to further the conditions of their specific field of work alone, leaving the majority of workers behind in their pursuit of benefits. On the contrary, the ideals of the Knights of Labor were based on widespread solidarity, appealing greatly to the rising new class of workers who had recently emerged (Foner et al., 1991).
The prelude to the Great Southwest Strike of 1886 which empowered the Knights of Labor occurred in 1885 when members of Jay Gould’s Southwest System on the Wabash railroad line struck against wage cuts. After local assemblies of the Knights of Labor arose throughout the Southwest System following this strike, Jay Gould decided to come to terms with his workers in an attempt to avoid the possibility of escalated conflict equaling that of the Great Upheaval in 1877 (Brecher, 1997, 41). The act of someone as powerful as Jay Gould, a prominent robber-baron, conceding to his workers was unheard of at the time and marks a significant moment in the early years of labor history. John Commons describes the importance of this victory well in his *History of Labour in the United States*:

“Here a labor organization for the first time dealt on an equal footing with the most powerful capitalist in the country. It forced Jay Gould to recognize it as a power equal to himself, a fact which he amply conceded when he declared his readiness to arbitrate all labor difficulties that might arise. The oppressed laboring masses finally discovered a champion which could curb the power of a man stronger even than the government itself. All the pent-up feeling of bitterness and resentment which had accumulated during the two years of depression, in consequence of the repeated cuts in wages and the intensified domination by employers, now found vent in a rush to organize under the banner of the powerful Knights of Labor.”

(Commons et al., 1918, 370)

The effects of this concession speak for themselves. Growth and participation within the Knights of Labor increased from 71,326 members in 1884, to 111,395 members in 1885, and then to a staggering 729,677 in 1886 (Brecher, 42).

The emergence of the Knights of Labor, coupled with the rise of a tendency generally referred to as anarchism in 1886, helped set the stage for great labor activity, illustrated in Table 1-1. Anarchism arose out of a frustration with the inadequacies of the government and trade unions when it came to promoting workers’ conditions (Williams,
As opposed to the Knights of Labor, who did not support revolutionary activities including strikes, anarchists called for “revolutionists and armed workingmen’s organizations in the country” to prepare to “offer armed resistance to the invasions by the capitalistic class and capitalistic legislatures” (Ware, 1964, 307).

Table 1-1  Early Labor Activity

<table>
<thead>
<tr>
<th>Year</th>
<th>Strikes</th>
<th>Establishments</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1881</td>
<td>471</td>
<td>2,928</td>
<td>129,521</td>
</tr>
<tr>
<td>1882</td>
<td>454</td>
<td>2,105</td>
<td>154,671</td>
</tr>
<tr>
<td>1883</td>
<td>478</td>
<td>2,759</td>
<td>149,763</td>
</tr>
<tr>
<td>1884</td>
<td>443</td>
<td>2,367</td>
<td>147054</td>
</tr>
<tr>
<td>1885</td>
<td>645</td>
<td>2,284</td>
<td>242,705</td>
</tr>
<tr>
<td>1886</td>
<td>1411</td>
<td>9,891</td>
<td>499,489</td>
</tr>
</tbody>
</table>

Source: Brecher, 1997, 47

In 1886 the environment was thus set for the Great Southwest Strike. Having already discovered their potential power the year before, workers on Jay Gould’s Southwest Railroad System opted to strike after one of their members was fired for attending a union meeting despite receiving permission for doing so. The objective of these strikers went beyond basic wage cuts and grievance complaints. A primary force behind this strike was the idea of power. According to Ruth Allen, a historian of the Southwest Strike, these workers wanted to be recognized as “men equally powerful in
and responsible for the conduct of the Gould Southwest System” (Allen, 1942). This
power struggle hit a chord with a large number of other laborers across the nation who
likely faced a similar situation, and soon a diversity of workers including miners,
telegraph operators, shopmen, and even farm hands joined the strike in sympathy.

In response to these widespread strikes, companies reacted in a variety of ways
ranging from actively recruiting strikebreakers, securing injunctions, to even hiring
special police. A common practice strikers utilized in the face of company resistance was
that of “killing” engines and disrupting company business. Activities such as putting out
engines’ fires and tampering with company rails thus became routine. Another typical
response by companies in the early decades of United States industrial labor history to
strikers’ retaliation was armed force and violence. In the Great Southwest Strike, this
increased use of armed force eventually proved to be the deciding factor in the strikers
being forced back to work after two months of hostility. In Fort Worth, as in other places,
300 state militias were called upon to regain order among the strikers. In East St. Louis,
nine people were killed and many injured when deputies fired into a crowd. In retaliation
to this shooting, an angry mob burned $75,000 of railroad property including numerous
shops and yards (Brecher, 1997, 50-52). After ultimately being forced back to work
against this strong opposition, most of the strikers were refused their jobs as countless
strikebreakers had already assumed them.

Seattle General Strike (1919)

The culmination of WWI brought with it several influences which greatly affected
United States industrial conflict. Due to wartime pressures, the years leading up to the
Seattle Strike saw a great demand for labor and subsequent increases in real wages. The increased leverage and power experienced by the working class during these years led to the beginning of labor union recognition. Resisting the establishment of trade unions outright no longer seemed advisable to employers in the face of the new dependence placed on the working class during the war. Employers and the government instead turned to unions to exercise control over their members. As a result, the roots of labor contracts, in which unions agree to oppose strikes in return for certain rights, began to take place. However, as the war came to a close, much of the newfound hope and power experienced by the working class began to dissipate as many companies deemed it necessary to return to normal production standards and wages in order to maintain profits following the wartime boom (Brecher, 1997, 117-119).

In the wake of these unstable conditions, 35,000 Seattle shipyard workers struck over debates on wage increases. Within two weeks 110 locals had endorsed the shipyard workers’ appeal for a general strike in sympathy against government and employer repression, and the Seattle General Strike was officially underway. In a similar manner as the Great Southwest Strike, the Seattle General Strike transcended minor debates over concessions and revolved around the broad idea of labor control. As the editor of the union-owned *Seattle Union Record*, Harry Ault, put it, “I believe that 95 percent of us agree that the workers should control the industries” (Brecher, 120). And control is what the workers in Seattle’s various trades had throughout the course of the general strike. Massive commissary departments, garbage collectors, laundry workers, and even emergency procedures were organized on a grand scale under the approval of the strike executive committees in order to provide essential services during the strike. Government
officials even had to meet with the strike committee to request possible exemptions from strike procedures (Root and Branch, 1972).

What is even more surprising than the mass organization which took place among the workers during the Seattle General Strike was the lack of violence that occurred in the city. Throughout the strike, general police court arrests dipped below half of what was normal. The government, on the other hand, did not view the strike as a peaceful and non-threatening affair (Root and Branch, 1972). Many viewed the strike as an act of revolution, and soon federal troops, including 950 sailors and marines were dispatched into the city at the request of Washington. Facing a violent ultimatum from the Seattle mayor and pressure from the international offices of the AFL unions, the General Strike Committee finally decided to end the strike.

**Analysis**

Despite countless defeats in the early years of industrial labor, the actions of the working class during these decades had a profound influence on the future of labor relations. In any great union uprising that one examines during this era, ranging from the Great Southwest Strike described in this chapter to the steel industry in the Homestead Strike (1892), it appears that the labor class was doomed to fail from the start. The leverage big business had over the working class at this time was enormous without modern regulations in place, and the United States government was quick to restore order whenever large-scale conflicts escalated.

However, these defeats mask the true influence of union action during this period. Defeat or no defeat, the new working class that emerged from the Industrial Revolution
came to understand the power of numbers through their actions and in effect change was inevitable. Eugene Victor Debs, a union official at the end of the nineteenth century, described this understanding as “the spirit of organization”. Debs believed that “even if the men (working class) know in advance that they are going to meet with defeat they are so impressed with a sense of wrong under which they are suffering that they strike and take the penalty” (Brecher, 114). The various conditions that allowed for working class unions to effectively voice their concerns in this era are analyzed next in order to better understand the reasons behind this influence.

**Industry Concentration and Methods**

As described in previous chapters, the Industrial Revolution created a large shift in employment from the agrarian and self-employed sector into large-scale manufacturing and goods-producing industries. The subsequent decline of employment in the agricultural sector into other areas is illustrated in Figure 1-1 for the years spanning this chapter.

**Figure 1-1 Distribution of Employment by Major Sector (1850-1920) (%)**

Source: Urquhart, 1984, 16
Major industries arose following the Industrial Revolution such as that in steel and in railroads. As technology continued to advanced, new goods-producing industries came about to replace the large influence of previous ones, such as what happened with the auto industry and the railroads. At the turn of the century the American economy and employment trends had shifted dramatically to these goods-producing sectors. With these new sectors also came an increasing reliance on workers and their contribution in the production process and in factories. It is in this setting in which the new working class of America was able to effectively voice their concerns in ways that had never been seen before. As the sitdown strikes in Akron demonstrate (which will be described in detail in the next chapter) the power that just a few workers could yield in production processes was immense. The increasing employment percentage of U.S. workers in these goods-producing industries therefore gave the working class a proportional increase in leverage over their employers at a time when manufacturing was in its infancy. This employment shift appears to be very significant in explaining the sheer size of union activity that took place during this era.

Public Relations

An interesting tendency in strikes that occurred before the Depression years was the number of strikes which were incredible in size. The Seattle General Strike in essence halted the entire life of a city and even included around 40,000 non-union workers brought into the strike, whether out of sympathy or complete lack of access to their work (Root and Branch, 1972). The Pullman Strike (1894) spanned over twenty states,
included 260,000 railroad workers, and saw an estimated 500,000 people out of work because of the strike (Brecher, 1997, 101). From observing the large-scale participation in these union activities, one can only imagine the incredible solidarity that many workers were feeling in the early years of industrial labor.

It is dangerous to assume solidarity among the working class without concrete evidence though. As it concerns employers and companies, it is easier to find their opinions on matters of the current day. The newspapers were controlled by these employers and served as a means to advance their respective interests, and public officials had close ties to prominent business leaders of the day. For the labor class, their opinions can best be viewed through their actions. Although differing in many aspects from ethnicity to age, workers at this time all had to endure the trial and error of industrialization. Hardship, experimentation, and the rising tide of organization were experienced by many regardless of profession, and these similarities created a link between workers. The New Orleans General Strike (1892) is a great example of this widespread solidarity as it saw cooperation among workers of varied races and skills all for the sake of a similar cause. This strike was even joined by a broad range of non-industrial workers such as musicians, shoe clerks, and public utility men. As Charles R. Walker wrote of the Minneapolis general strike of 1934, “Frequently more can be learned of the character of an individual, a class or a community in a few hours of crisis than a lifetime of routine living” (Brecher, 1997, 83, 273). If the observances of the many mass strikes in the early years of industrial labor hint at anything, it is the widespread solidarity workers were feeling which had the effect of increasing their collective influence over employers.
The Economy

The economy in early American industrial history experienced a tidal wave of changes. Major economic crises were experienced in the 1890’s and in the Great Depression of the 1930’s, but the demands of WWI in the interim created business booms. Industrial businesses were still in their infancy at this time, making the marketplace a proverbial free-for-all. Major changes in industry concentration occurred forming a new working class experiencing a comparable lifestyle transition.

The combination of these economic crises, business booms, and a changing labor landscape created an extremely unstable economy and workplace in the late-19\textsuperscript{th} and early 20\textsuperscript{th} century United States. Table 1-2 shows the uncertainty of these early years through a variance of unemployment rates. It is important to note that the data in these tables are estimated, as an official, systematic recording of unemployment data was not established in the United States until 1948.

Table 1-2  Unemployment Rates in Late 19\textsuperscript{th} and Early 20\textsuperscript{th} Century United States (%)  

<table>
<thead>
<tr>
<th>Year</th>
<th>Unemployment (%)</th>
<th>Year</th>
<th>Unemployment (%)</th>
<th>Year</th>
<th>Unemployment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1893</td>
<td>8.09</td>
<td>1914</td>
<td>6.63</td>
<td>1932</td>
<td>18.8</td>
</tr>
<tr>
<td>1894</td>
<td>12.33</td>
<td>1915</td>
<td>7.18</td>
<td>1933</td>
<td>19.8</td>
</tr>
<tr>
<td>1895</td>
<td>11.11</td>
<td>1916</td>
<td>5.63</td>
<td>1934</td>
<td>21.3</td>
</tr>
<tr>
<td>1896</td>
<td>11.96</td>
<td>1917</td>
<td>5.23</td>
<td>1935</td>
<td>19.5</td>
</tr>
<tr>
<td>1897</td>
<td>12.43</td>
<td>1918</td>
<td>3.38</td>
<td>1936</td>
<td>16.6</td>
</tr>
</tbody>
</table>

Interestingly, despite the variance and often high unemployment rates in these early years of industrial labor, the enthusiasm for union and strike participation did not generally decline. Although there were comparatively high unemployment rates in the 1890’s, this decade also brought with it such widespread union activity found in the Pullman Strike (1894) and the New Orleans general strike (1892) as described in the last Public Relations section. In the Great Depression years, despite an impressive estimated unemployment rate of 21.3% in 1934 (Table 1-2), this same year also saw an incredible amount of union activity culminating in the longshoreman strike of San Francisco. This strike saw some 130,000 workers walk out, including the participation of taxi, trolley, and street railway workers, which effectively stopped public transportation in the Bay Area (Brecher, 1997, 173-174).

The fact that union participation did not drop, but often increased in the face of economic collapse in these years is a trend that will be examined further throughout this thesis. As will be examined later, in the 21st century the effect of recession on union member participation and activity seems to have the opposite effect as that which happened in the early 20th century. The logical labor response to a recession would seem to be one of fear and skepticism. One reason for this response is that in tough economic times the probability of losing one’s job likely increases for a variety of reasons including corporations cutting costs. In addition, since a high unemployment rate assumes that there are an increased amount of people looking for work, people can be replaced easily if they partake in risky union activity that threatens their job security.

Therefore, an explanation for why there was such widespread union participation and activity must lie elsewhere and not with the economy for this period. Granted,
strikebreakers and labor replacements were common in these early industrial decades, but these threats did not stop a labor force from acting together in many large instances. The main purpose of this thesis is to examine and analyze labor union history in the United States in order to find the most conducive conditions for high labor union influence. The next two chapters will discuss two more periods of union history in the United States, and with the information found in these subsequent chapters a more complete explanation can be proposed for the discrepancies found in this early period.
Chapter 2

The Recognition of Unions

In the early, formative years of industrial labor the relative position and power of the working class and employers was not set in stone. As was seen in widespread union strikes such as that in the Great Southwest Strike and Seattle General Strike, working class deliberations were often directed at the broad idea of industry control which transcended basic grievances such as wages or hours. However, after WWI and decades of conflict by the 1930s workers’ position of subordination within a waged system had become accepted.

In addition, for the first time during the 1930’s the right for labor unions to organize and effectively bargain was finally recognized by law. Section 7A of the National Recovery Act stated that “employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint or coercion of employers” (Amidon, 1934, 213). Ironically, although explicitly recognizing the powers of labor unions through subsequent labor bills, these same powers also placed a newfound responsibility upon labor union leadership’s shoulders. In return for powers such as collective bargaining, labor unions now had to uphold their end of the deal by serving as controlling and disciplinary forces over their members. These competing interests created various divides and a sense of uncertainty between the workforce and union leadership at this time which continues, to an extent, to this day.
I classify the years following the Great Depression into the Reagan administration as the years of labor union recognition. These decades are marked with great union successes but at the same time with patterns that forebode disconnect and a decline in overall union influence/participation. On top of the new powers and leverage afforded to union leadership in negotiating with corporations, the workforce demonstrated an uncanny ability to adapt to changing conditions. As always, though, business leaders found ways to counter the strides made by workers and increasingly they looked at unions themselves as a vehicle through which they could exercise control.

This second chapter describes the actions and results of two major union/working class strikes. These strikes were selected to exemplify the labor period I classify as the years of union recognition, spanning from the Great Depression right up to the Reagan administration. In particular, the two strikes described in this chapter give an account of the independence that was developing between the working class and union leadership; which was largely seen through wildcat strikes. Following a description of these strikes, an analysis is provided examining why these activities were effective or not from the standpoint of labor union influence and leverage.

**The Sitdowns (1933-1936)**

The government and union leadership soon came to be seen as disappointments to workers in Akron, the rubber center of the United States at the time of the Depression, in the mid-1930’s. With governmental action in favor of workers constantly being tied up in court and passive union leadership becoming common, most of the new worker enthusiasm for unions following the passage of the National Recovery Act (NRA) in
1933 had disappeared (Brecher, 1997, 196). In its place arose a sense of independence among the working class. It became increasingly apparent among workers that they themselves were going to have to implement their own methods if they ever wanted to attain what they desired. This was the atmosphere from which the sitdown method arose.

Rumored to have originated in a factory baseball game when union men simply sat down in protest of a non-union umpire until he was replaced, from 1933-1936 the sitdown was an extremely effective and surprisingly adaptive method workers in Akron used to hold their ground against employers (Adamic, 1938, 405). A sitdown by a dozen men in a highly mechanized factory could in reality create a build-up and shut down the entire works. The ensuing suspension of production this build-up creates in turn costs a company a great deal of profit, and leaves an employer in an extremely vulnerable position. The innovativeness of the sitdown from past methods of worker protest is explained well in the following passage:

“There are no strikebreakers in the majority of instances; the factory management does not dare to get tough and try to drive the sitting men out and replace them with other workers, for such violence would turn the public against the employers and the police, and might result in damage to costly machinery. In a sitdown there are no picket lines outside the factories, where police and company guards have great advantage when a fight starts. The sitdown action occurs wholly inside the plant, where the workers, who know every detail of the interior, have obvious advantages. The sitters-down organize their own ‘police squads,’ arming them – in rubber – with crowbars normally used to pry open molds in which tires are cured. These worker cops patrol the belt, watch for possible scabs and stand guard near the doors. In a few instances where city police and company cops entered a factory, they were bewildered, frightened, and driven out by the ‘sitting’ workers with no difficulty whatever.”

(Adamic, 1938, 408)

Early on in the use of the sitdown, workers gained victory after victory over their employers in Flint. The use of sitdowns resulted in a large shift in power to the workingman on the production line, and demonstrates the adaptiveness of workers in
using new methods of resistance. In 1937 alone, the Bureau of Labor Statistics reported that sitdowns involving nearly 400,000 workers took place.

**U.S. Postal Strike (1970)**

The Vietnam War era and the broad sense of revolt which gripped the nation during it did not escape labor activity. The number of striking workers reached a level not seen in the past half-century during the war years. Despite this increase in strikes and the significant merger of the American Federation of Labor (AFL) and Congress of Industrial Organizations (CIO) in 1955, this era saw a dramatic decrease in union participation (Brecher, 1997, 249). A stagnant and seemingly content period for union leadership occurred in this era having already gained widespread acceptance by corporations. The result of such inaction was a rise of strikes by workers independent from union support, otherwise known as wildcat strikes.

The U.S. Postal Strike, which totaled more than 200,000 postal workers in thirty major cities, exemplified on a large scale one of these so-called wildcat strikes. Striking on behalf of what they considered unacceptable practices, an interesting dynamic was created at the outset of this strike. The strike began in New York City and spread to two other states within a few days (Libcom.org, 2008). However, union leadership began almost immediately to suppress the strike. Understanding that the postal strike was technically illegal since it is a felony for government employees to strike, union officials threatened the existence of the New York local that began the strike in order to encourage them back to work. Union officials recognized, despite their members’ striking interests,
that ending the strike was imperative for its long term survival, as such actions could cost the union the right granted by the government for collecting dues (Brecher, 1997, 261).

To the dismay of union officials, these pleas could not stop the spread of the strike. Soon spreading to hundreds of cities and on the verge of entering into other public spheres, President Lyndon Johnson resorted to federal troops in an effort to end the affair (Libcom.org, 2008). Realizing the end of the strike was inevitable, numerous local officials were called to Washington in order to discuss the terms of settlement. Continuing to use the threat of another strike throughout the bargaining process, the strike ended after a week in a financial success for the postal workers. Immediate pay increases were implemented by Congress, and the national unions of these strikers were not punished but actually strengthened as the government recognized their attempts to end the strike in the face of wildcat resistance (Brecher, 1997, 261).

**Analysis**

Interesting labor dynamics began to surface in the half-century spanning 1930-1980. Having received official recognition, labor unions faced the problem of how to handle the new rights and responsibilities which were afforded to them. On the one hand, union leadership wanted to uphold their end of the new labor contracts which had emerged. This responsibility, however, often contrasted with the interests of a restless public who had to weather the effects of two wars. A common tendency that subsequently emerged was a working class who took matters into their own hands through wildcat strikes.
In this time period union/working class activity therefore remained relatively strong. Despite this activity interesting trends emerged which now looking back may have foreshadowed the impending decline of union participation and interest. These trends will now be analyzed in an effort to discern why labor activity remained strong throughout 1930-1980 despite glaring warnings of decline.

*Industry Concentration and Methods*

The percentage shift of United States employment into manufacturing and goods-producing sectors failed to maintain its growth throughout the entire half-century spanning the era of union recognition. After a steady rise up to about 35% in 1920, from 1930-1982 this percentage of employment in the goods-producing sector hovered around 30% for the entire duration as shown in Figure 2-1 (Urquhart, 1984, 16). What is the significance of these statistics? Most importantly, in the decades after 1930 these statistics mean that almost all decreases in employment from the agricultural sector were transferred into the service sector, whereas before these decreases were distributed evenly between the service and goods-producing sectors.
Unions have traditionally been weaker in service sectors. Factors such as service industry employers often requiring fewer employees to run a business as compared to those in manufacturing have contributed to this difficulty. Why then have the number of work stoppages resulting from strikes remained fairly constant throughout this era from the years 1947-1980 as shown in Table 2-1?

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1947</td>
<td>270</td>
</tr>
<tr>
<td>1952</td>
<td>470</td>
</tr>
<tr>
<td>1957</td>
<td>279</td>
</tr>
</tbody>
</table>
One might expect an inverse relationship between the rise of employment in service sectors and the number of large strikes resulting from union influence. However, one must take into account government influence in order to put this issue into perspective. In the years leading up to the Reagan administration and globalization, despite an increase of employment into service sectors the corporate agenda of U.S. business remained pretty stable. The process which saw continuing demands, concessions, and new labor legislation slowly continued unabated throughout this era. The United States corporate agenda had yet to enter the stage of widespread globalization, and therefore remained susceptible to the same past strategies used by workers when faced with demands. Regardless, the trend towards a predominantly service-oriented economy still posed as a foreboding threat to union participation, if not then but for the future which is analyzed in the next chapter.

Public Relations

The divide that was explained previously between the interests of workers and union leadership began to influence the strength of the solidarity that contributed to the
incredible size of union strikes in the early years of American industrial labor. The top-down control exhibited by union leadership in this era had the effect of creating a gap between leadership and its members. In this period labor unions were very dependent on government for protection and often worked closely with business leaders. As a result, union leadership became increasingly reluctant to challenge the status quo for the sake of its members. This lack of action, in the eyes of the union rank-and-file, made large unions appear more and more like groups seeking to advance their own interests irrespective of its members’ opinions.

The extent of the divide between union leadership and its members is illustrated well in the General Motors strike of 1970. In order to pressure local issues into settlement in this strike, “top negotiators for both sides (union and corporate)…indicated they won’t return to serious bargaining on national issues until the bulk of the union’s 155 local bargaining units reach agreement with G.M.,” despite the fact that “company and union officials say they can reach a national agreement after settling local issues in about ten days.” General Motors even lent union leadership $30 million to pay for its strikers’ medical insurance bills in order to keep the strike going for the sake of the union’s image (Brecher, 1997, 267-268). Collaborations such as these led workers to take matters into their own hands through wildcat strikes which resulted in spontaneous unions and worker-led movements. However, the divide that was being created was leading many workers to doubt the efficacy of union participation in general.
Chapter 3

Labor at the Turn of the 20th Century

A combination of factors has resulted in the number of large strikes and labor union participation to drop dramatically in recent decades. Jeremy Brecher describes the impetus behind this shift well in his book *Strike!* (1997) when he states that “globalization was in some ways comparable to the shift from local to national corporations and markets in nineteenth-century America – and had similarly drastic effects on unions and workers” (Brecher, 1997, 309). Globalization and its effects totally transformed the economy of the United States and subsequently overturned traditional political agendas as it concerned traditional business and unions.

Faced with a massive economic crisis in the 1970’s largely in part to an intensification of international competition, American businesses had to adapt in order to stay afloat. As a result, numerous new corporate strategies emerged embracing a global perspective. Developments such as phases of production now occurring in different countries and large, global institutions being formed now became commonplace. In order to further these global ambitions, the United States government also made significant policy changes. The Reagan administration starting in 1981 took a strong stance on deregulation and often had conflicting interests with agencies that provided protection of workers’ rights (Brecher, 1997, 309).

These new global economic conditions provided businesses leadership with an atmosphere that greatly inhibited many of the past strategies such as strikes that workers
used as leverage against companies. Now more than ever companies could move their operations to non-striking facilities across the globe and continue to make profits even when faced with a worker uprising. However, workers and their respective labor unions, just as they had done in the past through methods like the sitdowns in Akron, also managed to adapt to these changing conditions.

This is the final chapter tracing the evolution of American labor unions starting from the Industrial Revolution. The actions and results of two particular strikes are described which I feel convey important characteristics of recent labor union trends in the United States starting from the 1980’s. Each of the two strikes described in this chapter will be used as specific examples in later portions of the thesis for different reasons. Following a description of these strikes an analysis is provided which looks into why these activities were effective or not from the standpoint of labor union influence and leverage.

**UPS Strike (1997)**

A strike of 185,000 UPS workers decided to strike on August 4, 1997 in protest of a recent UPS trend of hiring more part-time workers in order to take advantage of lower wages. The UPS Teamsters believed that many of these part-time workers should actually qualify as full-time, and as a result demanded that 10,000 new full-time jobs be created for current part-timers (*Businessweek*, 1997). Despite the disruption this strike caused by denying the public of a vital service, the UPS strikers were able to amass an incredible amount of support and solidarity for their cause (Sewell, 1997).
The Teamsters transcended conventional striking methods in their protests in order to put even more pressure on UPS. As an example, at one point a news conference with major women’s groups was called in order to discuss how the shift to part-time jobs affected working women (Brecher, 1997, 360). These tactics furthered the solidarity of the Teamsters’ cause to groups not directly involved in the strike and created widespread attention. Faced with increasing pressure and surmounting monetary losses, UPS came to a settlement with its workers in a few weeks conceding most of the Teamsters demands.

Hostess (2012)

A very recent strike which may prove useful to analyze is that of the employees of Hostess. Refusing to agree to another round of wage and benefit cuts including that of their pension, workers of Hostess decided to go on strike voicing their complaints on management. Frank Hurt, president of the bakers’ union, stated that these workers were not going to wait around “to see yet another management team fail and Wall Street vulture capitalists and 'restructuring specialists' walk away with untold millions of dollars” (Isidore et al., 2012).

Hostess responded to this strike in dramatic fashion. Believing the company not fit for an extended nationwide strike, management was forced to give these striking employees an ultimatum: either they return to work by a specified date or face a shutdown of the company. As CEO Gregory Rayburn put it, “‘We deeply regret the necessity of today’s decision, but we do not have the financial resources to weather an extended nationwide strike” (Isidore et al., 2012).
Unfortunately, an agreement was not reached, and Hostess’ brands are currently on sale to the highest bidder. Nearly 18,500 Hostess workers will lose their jobs as the company shuts down its 33 bakeries, 565 distribution centers, and 570 outlet stores (Kurtz, 2012).

**Analysis**

The period of labor history examined in the previous chapter which I classified as the era of union recognition contained some alarming trends for the unity and future participation/influence of labor unions: employment shifts into goods-producing sectors had halted while shifts into service sectors had risen, a growing divide between union leadership and its members was being created, and unemployment was slowly on the rise. Although not manifesting in the years 1930 through 1980, the warnings of these decades finally came to fruition in the decades leading into the 21st century. Labor unions are currently facing and have dealt with for years an overall decline unlike any seen before.

Union participation has dropped dramatically and the amount and size of worker strikes have fallen accordingly as well. These declines are not the result of a working class that is fully content with their surroundings. As will be analyzed, the working class and their unions have lost a great deal of leverage due to a combination of factors, many of which could have been predicted on closer examination of previous trends.

**Industry Concentration and Methods**

The trend of shifting employment increasingly into service sectors has continued from 1980 into today. In 1982, the percent of the workforce found in the service
producing sector was 69.2 percent. In 2008, the total had risen to 77.2 percent. This trend seems poised to continue as currently 29 out of the top 30 occupations with the largest rate of growth are in the service sector (Department for Professional Employees, 2011).

As opposed to the developments of the previous chapter, this increase in the percentage of the workforce in the service sector has not been accompanied by a rising or stable rate of work stoppages/strikes by unions. From 1980-2012 the amount of large working strikes has decreased significantly as shown in Table 3-1.

Table 3-1  No. of Work Stoppages Idling 1,000 Workers or More Beginning in Period

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>187</td>
</tr>
<tr>
<td>1985</td>
<td>54</td>
</tr>
<tr>
<td>1990</td>
<td>44</td>
</tr>
<tr>
<td>1995</td>
<td>31</td>
</tr>
<tr>
<td>2000</td>
<td>39</td>
</tr>
<tr>
<td>2005</td>
<td>22</td>
</tr>
<tr>
<td>2010</td>
<td>11</td>
</tr>
<tr>
<td>2012</td>
<td>19</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Labor Statistics

It seems as if the growing trend of employment into the service sector had a delayed effect on working strikes. However, this shift is only a small part of the total equation. In response to an economic crisis and a dramatic rise in international business
competition, the American government leading up to and throughout the 1980’s began to adopt a new corporate agenda which has greatly inhibited the effectiveness and standing of labor union influence. Douglas Fraser, the United Auto Workers president in 1978, described the evolving corporate agenda as such:

“The leaders of industry, commerce and finance in the United States have broken and discarded the fragile, unwritten compact previously existing during a past period of growth and progress… [That compact] survived in part because of an unspoken foundation: that when things got bad enough for a segment of society, the business elite ‘gave’ a little bit – enabling government or interest groups to better conditions for that segment…

But today, I am convinced there has been a shift on the part of the business community toward confrontation, rather than cooperation… I believe leaders of the business community, with few exceptions, have chosen to wage a one-sided class war on this country.”

(Brecher, 1997, 310)

The Reagan administration epitomized these major economic changes. During his administration strategies were implemented in an effort to increase American business’ standing in the face of globalization. These changes often came at the expense of certain working class rights and privileges. Deregulation and the weakening of various agencies protecting workers’ rights for the sake of enhancing overall business standing are some examples of how the government pursued its new agenda (Brecher, 1997, 309). In February of 2012, Indiana passed a "right-to-work" law, making payment of union dues voluntary for workers. In addition, Wisconsin passed some major restrictions on public sector unions in 2011, but they were blocked by the courts for part of 2012 (Kelleher et al., 2013). These examples illustrate how the broad policy changes and goals that occurred in the 1980’s are continuing on a common basis.
The coming of globalization has also altered the methods through which unions have traditionally conducted protests. Today, the traditional strike has lost much of its leverage due to the ease of hiring replacements and the ability to move operations across the globe or nation almost seamlessly. This change further explains the decline of union influence and the decrease in large strikes. However, the workforce has managed to adapt to these changes through other innovative methods such as forming community-labor coalitions and staging corporate campaigns which attack the network of a corporation such as its funding from banks (Brecher, 1997, 319-323). However, these broad policy changes, combined with the growth in the services sector, help us to better understand the recent decline of labor union influence.

Public Relations

Numerous social dynamics converged at the end of the 20th century which further explains the decline in union participation and action. The independence that national union leadership exhibited over their respective members, described as the divide in the previous chapter, continued into the turn of the century. This union independence has contributed greatly to the decline in worker solidarity which was so widespread at the beginning of American industrial labor. Whereas in the past the workforce experienced on a grand scale a sense of empathy with each other’s conditions, the independence of union leadership a century later has created a situation where solidarity is sometimes blocked even within the same workplace and companies.

Another important social dynamic which has emerged concerns demographics. In the past when union participation and activity was at its highest the traditional base of
labor movement consisted of white ethnic urban industrial communities. However, this base has been largely eroded in the past half-century by suburbanization and deindustrialization (Brecher, 1997, 314). By observing Table 3-2 one can better understand the current demographics of union participation.

Table 3-2 Union Members as a Percent of Total Working Class Demographic (2010)

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>White</strong></td>
<td>11.7</td>
</tr>
<tr>
<td>Men</td>
<td>12.5</td>
</tr>
<tr>
<td>Women</td>
<td>10.9</td>
</tr>
<tr>
<td><strong>African-American</strong></td>
<td>13.4</td>
</tr>
<tr>
<td>Men</td>
<td>14.8</td>
</tr>
<tr>
<td>Women</td>
<td>12.2</td>
</tr>
<tr>
<td><strong>Asian</strong></td>
<td>10.9</td>
</tr>
<tr>
<td>Men</td>
<td>9.4</td>
</tr>
<tr>
<td>Women</td>
<td>12.6</td>
</tr>
<tr>
<td><strong>Hispanic</strong></td>
<td>10.0</td>
</tr>
<tr>
<td>Men</td>
<td>10.2</td>
</tr>
<tr>
<td>Women</td>
<td>9.6</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau

Over the years it is clear that the traditional union base of blue-collar white males has slowly decreased. Currently, as a percent of each working class demographic,
African-Americans have the highest participation rate in unions. The rise of women as a labor class has also contributed greatly in the changing participation statistics in unions. Unions have made concerted efforts, many of which have been very successful, in organizing this new workforce into unions. Organizations such as *9 to 5*, which was designed to improve the rights and wages for office workers and women, have sprung up in past decades increasing union participation (Brecher, 1997, 336-337). However, the dramatic shift of the traditional base out of unions and into more service-oriented professions has offset many of these new organizations as it concerns total union participation.

*The Economy*

When faced with economic and market uncertainty, workers responded in ways that differed greatly from today due to different circumstances in the early part of the 20th century. The Great Depression saw some fifteen million workers unemployed within three years. In the wake of the desperation that ensued during this period, many unemployed decided direct action for their own sake was the best remedy for their situation. As an example, during the Depression a practice known as coal-bootlegging became common. In coal-bootlegging miners took control of private property and began producing coal for themselves. At its peak this industry, often backed by wildcat unions, produced some $45 million worth of coal and employed over 20,000 men (Brecher, 1997, 162-163). Despite the blatant illegality of the industry, the widespread community solidarity of the era created pressures which placed coal companies at the mercy of these actions. Although this example is an extreme case, the point is that different laws,
government responses, and employer-employee expectations during the 1930’s allowed for these actions to occur.

Today, when faced with high rates of unemployment, one cannot expect a similar reaction to that of the 1930’s. Conditions and expectations have changed. For one, as described in the Public Relations section of this chapter, the widespread solidarity of workers which contributes to union strength and effectiveness has decreased dramatically. In effect, a community reaction similar to the one experienced by the coal-bootleggers in the face of unemployment is unlikely to occur today. In replace of this solidarity a broad cultural emphasis on individualism and consumerism rather than community and participation seems to have emerged. This sense of individualism, when faced with the threat of losing one’s job, may override any concerns one has for a fellow worker leading to an ineffectiveness of union strength.

Figure 3-1 displays the slow upward trend in unemployment rates that has occurred from 1948 to today.

**Figure 3-1  U.S. Unemployment Rates (%) (1948-2013)**
Inversely, labor union member participation has fallen steadily in these years to 11.3% (14.4 million union members total) in 2012, the lowest percentage in 76 years. The first year for which comparable union data are available is 1983. In this year union participation was at 20.1% (17.7 million total) (Kelleher et al., 2013). This inverse relationship demonstrates the recent trend of the working class responding to unemployment rates differently as compared to past eras as described in Chapter 1. In the Hostess strike of 2012, despite union efforts, an estimated 18,500 Hostess workers will lose their jobs. Although this union strike resulted in a defeat of the company as well, I believe this outcome will affect union member and working class psyche the most. Will another union now hesitate in attempting a strike for increased rights after seeing 18,500 workers being laid off? Worker solidarity is not what is used to be and the risk of striking and losing one’s job may outweigh any potential benefits in a harsh economy. The enthusiasm for joining unions thus may continue to decline.

Another possibly alarming trend for unions is the rise of contingent workers. Contingent workers are individuals who consider their jobs temporary or do not expect their jobs to last. With the new U.S. corporate agenda in the 1980’s taking effect following an economic crisis and changing global trends, firms have increasingly sought to limit the growth of permanent, full-time employment. However, contingent workers traditionally have very little union representation, job security or benefits (Appelbaum). There has been increasing efforts to unionize these workers, but such workers have found it very difficult to do so. This trend only adds to the uncertainty of unions and the decrease in solidarity that has emerged at the turn of the century.
Chapter 4
Conclusions and the Future of Labor Unions

This thesis has covered the history of labor unions in the United States from the end of the Industrial Revolution in the mid-19th century to the 21st century. Broad as well as specific labor union activity was described in order for the reader to grasp not only the end results of labor activity, but also examples of the process through which these results manifest. Following the history of unions, an analysis was provided which examined the conditions which have allow for strong as well as weak union influence in the United States. From this analysis, conclusions can be determined as it concerns labor union influence.

In the United States from the perspective of member participation, amount of union activity/strikes, and subsequent labor law implementation, union influence appeared to be at its strongest in the early decades of the 20th century. Even then, after conducting my analysis, different conditions in these decades may have allowed for unions to have an even stronger presence.

The following list exhibits the four factors which I believe are the most conducive for strong union influence:

1. Highly concentrated goods-producing/manufacturing employment
2. Widespread worker/employee solidarity in various industries
3. A stable economy free of recession/depression or uncertainty
4. Government support or lack of anti-union government interests
The early part of the 20th century saw three of these four factors. Concentration in goods-producing industries was high, an urgent and specific need for improved working conditions fostered an incredible sense of worker solidarity, and although government suppression of unions existed it was mainly directed at restoring social order instead of being anti-union from the start. However, economic crises were prevalent throughout these decades, and although such crises may create increased competition and uncertainty in today’s job market these union impediments were often overridden back then by factors such as solidarity.

The 21st century, unfortunately for unions, sees none of these four factors in place. In the face of these conditions how then could a strike such as that taken by UPS workers in 1997 (described in this chapter) succeed? The UPS strike was in fact a major success and considered by many a turning point in labor history. Robert Ridley, a forty-four-year old UPS driver from Texas, described the result as “a big win not only for the union but for labor” (Johnson, 1997). However, on closer examination, this strike and the UPS industry appears to be an outlier in an era of union decline for reasons relating to the four factors above. The decade of 1991-2000 saw a steady decline in unemployment rates from 7.3% to 3.9% respectively. The year of the strike, 1997, was right in the midst of this downward trend at 4.7% and the economy seemed stable. An unemployment rate as low as 4.7% had actually not been seen since 1970 (BLS). In addition, UPS seemed to have operations similar to those of prominent past companies susceptible to union influence and strikes. The company is a near-monopoly and involves work that mostly cannot be moved abroad. Without globalization providing a safeguard for the company’s
operations, one can see how the UPS Teamsters managed to gain leverage and a union victory.

Most companies today in the United States are becoming increasingly entwined with globalization and its effects, making union victories and influence such as that seen in the UPS strike increasingly rare. Looking into the future of the United State, the service sector seems poised to gain an increasing share of employment. In addition, having experienced two major economic crises in the past decade, the realities of economic uncertainty have rarely been more vivid then they are right now with the American public. Recent worldwide and European economic and employment uncertainty has only added to the insecurity of the American public. Add this uncertainty to a worker solidarity that pales in comparison to past decades due to such factors as union leadership and one finds a difficult dilemma for union influence. Government actions have been by no means increasingly supportive for union leverage either.

Union influence therefore appears to be on a downward tract in the United States with no clear end in sight. This thesis analyzed and determined factors which provide for increased union leverage, the only problem for unions is that most of these factors are beyond union control. Globalization and service industries in the United States will likely only increase dramatically in the future. However, one very important dimension of the 21st century which has the capability of restoring union influence in the United States to a significant degree is social media/networking. Social networking provides individuals with an ability to communicate to a very large amount of people in an incredibly short amount of time. If certain major factors were to change or if a particular work-related
issue arises that strikes a chord with the general public, social networking can provide a means for solidarity the size of which has been unseen since early industrial America.

**International Perspective**

Union influence in the United States has seen better days and likely will continue to be hindered by the lack of the four factors listed above. Interestingly though, the same is not the case for other nations. By comparing the conditions of the United States at the time union influence was at its peak to other nations across the globe today, some striking similarities arise. China and India, in particular, exhibit similar attributes to the United States in the early 20\(^{th}\) century and appears poised to make advancements in union influence and activity in the coming years.

**China**

China is currently a very large, rapidly emerging nation, and much of these gains in past decades have derived from massive growth in the manufacturing sector. In 2010, China actually displaced the United States as the world’s largest manufacturing nation (value-added). In 2011, China widened this lead with a manufacturing value-added total of $2.35 trillion compared to the United States at $1.90 trillion. In total, China was accountable for a staggering 20.7% of world manufacturing in 2011 (Meckstroth, 2013, 1). This growth is shown in Table 4-1 which is compared to the fifteen other largest value-added manufacturing nations in the world.
Table 4-1 The 15 Largest Countries for Manufacturing Value-Added (in U.S. dollars)

<table>
<thead>
<tr>
<th>Rank</th>
<th>1991</th>
<th>2001</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>United States</td>
<td>United States</td>
<td>China</td>
</tr>
<tr>
<td>2</td>
<td>Japan</td>
<td>Japan</td>
<td>United States</td>
</tr>
<tr>
<td>3</td>
<td>Germany</td>
<td>China</td>
<td>Japan</td>
</tr>
<tr>
<td>4</td>
<td>Italy</td>
<td>Germany</td>
<td>Germany</td>
</tr>
<tr>
<td>5</td>
<td>France</td>
<td>Italy</td>
<td>Italy</td>
</tr>
<tr>
<td>6</td>
<td>United Kingdom</td>
<td>United Kingdom</td>
<td>Korea</td>
</tr>
<tr>
<td>7</td>
<td>Russia</td>
<td>France</td>
<td>Brazil</td>
</tr>
<tr>
<td>8</td>
<td>China</td>
<td>Mexico</td>
<td>Russia</td>
</tr>
<tr>
<td>9</td>
<td>Spain</td>
<td>Canada</td>
<td>France</td>
</tr>
<tr>
<td>10</td>
<td>Canada</td>
<td>Korea</td>
<td>India</td>
</tr>
<tr>
<td>11</td>
<td>Korea</td>
<td>Spain</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>12</td>
<td>Brazil</td>
<td>Brazil</td>
<td>Mexico</td>
</tr>
<tr>
<td>13</td>
<td>Mexico</td>
<td>India</td>
<td>Indonesia</td>
</tr>
<tr>
<td>14</td>
<td>Turkey</td>
<td>Russia</td>
<td>Spain</td>
</tr>
<tr>
<td>15</td>
<td>Netherlands</td>
<td>Netherlands</td>
<td>Canada</td>
</tr>
</tbody>
</table>

Source: Meckstroth, 2013, 1

It is important to note that China’s large population plays a significant role in the size of the manufacturing value it creates. When taking population into account, China is not in fact the largest manufacturing value-added nation per capita (Meckstroth, 2013, 3). However, as it concerns the influence of manufacturing on a nation’s economy, I believe that growth plays a huge part. In the United States, labor activity and union influence was arguably at its peak in the early 20th century, and notably the most significant growth of the manufacturing sector in the United States occurred in the period 1850-1920 as shown in Table 1-2. In comparison to the United States it therefore appears that China passes my first factor for conditions conducive to strong union influence, which stresses the
importance of a high concentration and growth of employment in a nation’s manufacturing sector.

The second factor helping to explain the strong influence of union activity in the early industrial history of the United States is widespread worker/employee solidarity in various industries. In the United States, this solidarity was created by a widespread worker response to the effects of the Industrial Revolution. In the United States’ early industrial history, it soon became apparent that there was an urgent need for improved working conditions and standards, and the American working class acted with surprising unity to these challenges. In China today, working conditions in many of the manufacturing/goods-producing industries bear a striking resemblance to many of the hardships and conditions experienced by American workers in the early 20th century. Employers at Foxconn Technology, an electronics contract manufacturing company, before being pressured by both international interests and an increasingly rights-conscious worker base, were known to exploit their workers to some extreme conditions. Employees at this company had been subjected to 16 hour workdays in total silence (conversation was forbidden), with only a few minutes allowed for toilet breaks each day (Zhang, 2012). Long hours such as those experienced by workers at Foxconn are reminiscent of the hours many United States’ employers subjected their own employees to in the early 1900’s. It was not until the May Day strikes (1886) occurred before widespread union activity was directed at achieving ten and eight hour workdays in the United States (Brecher, 1997). How long before similar widespread worker/union activity occurs in China in response to nationwide, unfair conditions imposed by employers? One of the reasons the Chinese manufacturing sector has exploded in recent decades is due to
the low labor costs of the nation which has caused a massive shift of world
manufacturing employment to China. When first exposed to largely unregulated industry
in the United States, an amazing sense of solidarity was experienced by American
workers which was seen through the size of the working class strikes and activities that
took place. Chinese workers have been experiencing similar exposure to widespread
employer practices that can be considered unfair such as that seen at Foxconn, allowing
for the possibility of great worker solidarity.

One way to measure the influence labor activity has on a nation is by viewing
new labor laws implemented in response to union activity (factor 4). In the United States,
union rights to organize and bargain collectively were not officially recognized until
Roosevelt’s New Deal after decades of labor strife. Recently, in 2008, the primary source
of labor law in China went into effect titled the Labour Contract Law of the People’s
Republic of China. Although this law was not implemented in response to decades of
union activity fighting for rights as seen in the United States, this law may serve as a sign
of Chinese union activity yet to come. Currently the only real semblance of unions in
China is the All-China Federation of Trade Unions. However, this union is not
considered independent and is essentially seen as an extension of the government, since
its members cannot elect their representatives freely (Zhang, 2012). Local chapters of this
union have been consistently submissive to the government’s wishes instead of serving in
the best interests of its members. In reaction to the Chinese government’s recent labor
law and the public’s increasing awareness of the power of collective bargaining, there has
been an unprecedented rise in Chinese workers’ attempts to form independent unions and
to gain rights. In 2010, hundreds of workers from a Japanese company’s plant went on
strike in southern China demanding a pay raise and the right to form their own union. After inviting Chang Kai, an expert in labor negotiations from Renmin University, to participate in the negotiations, the workers were given a 35% wage increase. Chang Kai went on to state that “The new generation of workers (in China) is more aware of the power of collective bargaining” (Zhang, 2012). Whether or not the Chinese government will recognize independent unions in China on a large scale is yet to be determined.

Having just three of the four factors I listed at the beginning of this chapter conditions were still set for strong union influence in the United States in the early 20th century. The other three factors were able to override the detrimental effects an unstable economy provided. I consider China to have two and a half of the four factors I listed for strong union influence. Besides having an economy largely based on manufacturing and working conditions calling for widespread worker solidarity, the Chinese government has stepped up its participation on the labor scene. Although the government implemented China’s primary source of labor law in 2008, this by no means indicates that the government is supportive of union activity as full, legal independence of unions separate from China’s All-China Federation of Trade Unions is still forbidden.

Just as American labor in the early 20th century exhibited, though, the power of widespread worker solidarity in response to a workplace that is susceptible to union influence goes a long way. It is therefore my belief that China will be subjected to an increasing amount of labor activity leading to the widespread recognition of independent unions in the country.
India

China is an example of a nation poised for breakout in union activity. India, on the other hand, is a nation who has just experienced this so-called breakout. On February 20, 2013 trade unions in India began a two-day nationwide strike. This strike bears an uncanny resemblance to those in the heyday of American union influence. David Macaray, an author for Truthout, had a similar opinion about this nationwide strike when he wrote:

“As for union workers, the case can be made that - cultural differences aside - India's labor unions are almost identical in temperament and outlook to what American unions were 100 years ago. The Indian economy is robust, companies are expanding, manufacturing jobs are plentiful and entrepreneurial confidence is sky high - just as it was in the US a century ago. And just as it was in America a century ago, Indian unions are learning that, prosperity and rosy predictions notwithstanding, they have to fight and claw for every last nickel.”

(Macaray, 2009)

By examining India through the factors I listed at the beginning of this chapter and in a direct comparison to United States union activity in the early 20th century, it is not surprising to see this recent spurt in Indian labor unrest.

If one examines Table 4-1 at the beginning of the China section in this chapter, India along with China has experienced a recent decade-by-decade rise in their world manufacturing value-added ranking. Also similarly to China, this recent rise in manufacturing concentration has resulted in sub-standard conditions for much of the Indian labor class. The enormous pressure placed on many Indian businesses by world players such as the United States and countries in Europe who look to protect their interests in India have only added to Indian business’ incentive to take liberties with the industrial workforce (Macaray, 2009). The result is an Indian labor class who widely
believes they have been left out of much of India’s prosperity in past decades. A large amount of worker solidarity across all industries is thus created.

In contrast to China though, workers in India are permitted to form independent trade unions and have recently used this power to create a scene reminiscent of American labor strikes in the early 1900’s. After eleven major trade unions in India scheduled the two-day nationwide strike, an incredible amount of solidarity and disruption was created. Tens of millions of workers participated in the strike. The extent of the industries participating in this activity equaled that of even the most extreme sympathy strikes seen in America. Industries ranging from banks, postal services, transportation, coal and steel mines, and even ports and docks all participated bringing many key sectors of the Indian economy to a halt (Vasant, 2013). In response to this activity, strikers were confronted with threats and physical violence from both the central and state governments. Over one-hundred striking workers were arrested in an industrial center near Delhi, and companies imposed nearly 150 charges of “rioting” against union members (Gayathri, 2013). This nationwide strike seen in India strongly resembles many of the strikes that arose in the United States when working conditions/forces were similar. In the Seattle General Strike (1919) described in detail in Chapter 1, after shipyard workers struck over debates on wage increases, within two weeks over a hundred locals spanning numerous industries struck in sympathy (Brecher, 1997). The solidarity found in the Seattle strike was also met with threats of violence similar to that seen in India recently. As mentioned before, most of the incredibly large strikes in the early parts of United States industrial labor were met with defeat despite having a lasting influence. Indian labor, in similar fashion,
has not found recent success in their striking activity but learning from American history these actions are sure to not be forgotten by both employees and employers.

The demands from unions and strikers in this Indian nationwide strike ranged to include numerous aspects of working and business conditions in India. In total the unions put forward ten demands which related to such things as the generation of employment and the increased implementation of labor laws (Chaturvedi, 2013). Why has Indian labor responded to these demands in ways in which the United States today and other developing countries have either not seen in decades or have yet to experience? The answer in part lies with the four factors mentioned at the beginning of this chapter which were derived from an analysis of the history of labor unions in the United States. These four factors, from the perspective of American labor history, have been most conducive for strong union influence and activity. By extending these factors internationally to countries such as China and India one can better predict the future of impending union activity in nations across the world.

As has been seen in this thesis in the United States, union influence is one that is always changing and evolving within a nation. New governmental policies are bound to be implemented, economies are constantly evolving, and leadership is always changing hands; all of which can greatly affect union power. Therefore similarly to what happened in the United States, the recent union activity seen in India and which may soon be seen in China will not last forever. In India it may just be the case that union activity is suppressed even before considerable labor gains are made. As a current global power the
pressures on Indian businesses to perform may soon result in joint government-corporate interests overriding that of unions’ in a similar fashion as was seen in the United States in the 1980’s (Macaray, 2009). However, nations will constantly be evolving and with the factors and history found in this thesis it is my hope that the reader may be forever more aware of union power, activity, and evolving trends and predictions in the field of labor unions.
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