Review Article

Margins To Mainstream: Analyzing The Rise of American Labor Unions (1929-1945)

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ABSTRACT

On October 24, 1929, a stock market crash put an end to a decade of economic prosperity that doubled the United States' total wealth (1). The crash destroyed banking systems. Factories went bankrupt and shut down. Workers went hungry and stood in breadlines that stretched for blocks. The unemployment rate rose to 25%, leaving millions of Americans homeless. This paper illustrates how labor unions took advantage of different opportunities amidst the Great Depression, New Deal, and World War II to end their previously marginalized status, rising to become major political and institutional forces. The impact of these changes on American workers is also analyzed. Poor humanitarian conditions accelerated calls for improved worker protection measures. This caused union membership to surge. A combination of political advocacy and collective bargaining with social safety net measures allowed labor unions to become powerful political forces. President Franklin D. Roosevelt's revolutionary New Deal policies made this possible through the National Labor Relations Act of 1935. The act granted unions government permission to help workers collectively bargain.

Keywords: Labor; Union; Activism; Workers; Collective; Action; Government

INTRODUCTION

Labor unions were founded to represent worker's interests by negotiating with employers for better wage rates, benefits, and workplace conditions. These organizations were established by workers during the Industrial Revolution to fight against inhumane conditions through collective action. Throughout the 1920s, labor unions declined. Employers fought back against unions through "welfare capitalism" by providing company-specific benefits to prevent workers from joining unions. The "American Plan" used by employers called unions "un-American" and promoted non-union "open-shops", workplaces where employers were not obligated to hire or retain union members. The corporate offensive was aided by judicial and governmental support for business interests which severely limited union activities. Negative attitudes towards unions due to anxieties about radicalism and Bolshevism following the Russian revolution only exacerbated the labor movement's decline. However, unions were able to make an impressive resurgence following the Great Depression.

LITERATURE REVIEW

Over the last few decades, scholars across disciplines have analyzed the rise of labor unions through various

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perspectives. In *Spurts in Union Growth: Defining Moments and Social Processes,* economist Richard B. Freeman presents the rapid growth of American unionism during the Great Depression era from a contrarian angle. Most historians agree that the surge was caused by New Deal legislation, particularly the Wagner Act. Instead, Freeman argues that the Depression spurt was not caused by New Deal legislation and the leadership of the Congress of Industrial Organizations, but by a social phenomenon. He identifies three main factors that led to the spurt in membership: the increased use of recognition strikes, the creation of CIO affiliates with little financial aid, and the growth of American Federation of Labor (AFL) affiliated unions. He describes unionization as the result of a conflict between union/worker organizing activity and employer opposition. Freeman also highlights the rise of union membership outside the U.S., proving that it was a global phenomenon and supporting his claim that the U.S. government did not cause the growth.

The New Deal policies established a better environment for unions, yet Freeman overlooks this in his study. Without the Wagner Act, which this paper will discuss in further detail, unions would not be able to recruit members and organize. By legitimizing unions to the public through the National Labor Relations Board, unions were able to influence more people. Freeman does not examine the effects of the Great Depression on American workers' everyday lives. He makes the argument that the majority of unions gained legitimacy by holding their own independent strikes instead of using NLRB elections after the Wagner Act passed. However, the data used in his study contradicts this. According to his data, 45% of unions used NLRB elections and 55% used independent strikes. These statistics show how the NLRB remained relevant as almost half of the unions that used NLRB elections gained recognition during this time period.

In *Making a New Deal*, Lizabeth Cohen explores both the development of labor unions and working-class cultural changes in Chicago from 1919-1929. The book studies political aspects of this transition while disagreeing with the notion that worker Democratic Party affiliation grew directly because of the Great Depression. Instead, she argues that the shift was caused by new, multi-ethnic unions replacing old ethnic labor organizations. Previously, unions and labor organizations in Chicago operated on ethnic lines. This system created barriers between workers as it obstructed collective bargaining. Different ethnic groups often had disagreements on how to bargain with employers, thwarting collective bargaining efforts. Employers also took advantage of ethnic divisions by creating shop policies that mixed workers from different ethnic backgrounds to prevent unionization.

The development of industrial unions through skill-based organization instead of ethnic ones improved labor efforts across industries. The success of industrial unionism in the 1930s could not have happened without this multi-ethnic cooperation. The book demonstrates how workers played a role in "making" the New Deal. While some scholars portray the workers as passive recipients, Cohen portrays them as active participants shaping their own political and economic conditions. Cohen's study of labor in Chicago has changed scholarly views on unions.

Yet Cohen's book has several shortcomings. She overemphasizes cultural factors but does not address how economic factors and labor disputes created a common sense of solidarity among the workforce. The book presents the breakdown of ethnic lines as a straightforward process, which was not the case. Ethnicity continued to play a reduced, but present role in working-class life. The book's exclusive focus on a single city, Chicago, also restricts its applicability to other regions. Therefore, relying on this source could potentially over-generalize from a single case study.

Nelson Lichtenstein's *Labor's War at Home: The CIO in World War II* examines the transformation of organized labor through its analysis of the Congress of Industrial Organizations (CIO) during the American war effort. Maintaining a slightly different stance from other scholars, the book avoids portraying cooperation between labor and management working together during the war. Instead, it shows the conflicts during this time period. World War II caused a fundamental shift in the American labor movement. During this time, the CIO and other large unions gained newfound legitimacy to increase their membership. As a result, union membership rapidly increased during this period. However, newfound legitimacy came at a cost. Agreements like the "no-strike pledge" between unions and the government meant that workers had less power to negotiate with employers. Compromises were made due to the union leadership's commitment to the war effort. As the war dragged on, compromises caused conflict between workers and union leadership. Many workers were frustrated by the no-strike pledge and wartime wage controls that reduced their bargaining power. The compromises that union leadership made during the war sowed deep divisions within labor organizations.

The National War Labor Board (NWLB) played a major role by regulating economic activities during wartime. One of their responsibilities was to act as a mediator for labor-management disputes. The agency supported employers through its focus on maintaining wartime efficiency which resulted in both victories and setbacks for the labor movement. Lichtenstein argues the bureaucratic labor management persisted after World War II. These compromises included the no-strike pledge and increased government involvement in labor relations. Unions eschewed the militant approach and grassroots activism which dominated the labor movement from the 1920s to the 1930s. The book provides a nuanced view of labor's wartime experience as it shows both benefits and challenges faced by the CIO during wartime America.

However, the main weakness of *Labor's War at Home* is its disproportionate focus on the CIO. The book barely mentions other major labor organizations including the American Federation of Labor (AFL) which maintained its position as the dominant union during and beyond the Great Depression. Lichtenstein emphasizes institutional dynamics and the leadership level, disregarding the role of grassroots organization. The book overstates the role of the war in making the unions less militant and more moderate, potentially neglecting other factors that the moderate shift in post-war unionism.

What is missing from all these sources is a comprehensive analysis of how labor unions in the United States used the chaotic period of 1929-1945 as an opportunity to gain influence and dominance over the lives of American workers. These works fail to recognize the long-term campaign across nearly two decades to force recognition, secure legal protections, and develop institutional strength. This paper will expose how unions recognized sequential crises during this period that allowed them to reshape the power balance between labor and capital. They used economic collapse and legislative opportunities to secure unprecedented political legitimacy, institutional power, and worker protections.

CRISIS AND WORKER MOBILIZATION (1929–1933)

The economic crisis following the stock market crash of 1929 drove 25% of American workers to become unemployed (2). Homelessness became widespread throughout the nation and food prices had become so high that workers had to line up for free bread. During this period, employers took advantage of this situation to disregard worker safety and slash wages by 60% in industries such as textiles and steel. The number of fatalities increased because companies cut corners on structural supports and ventilation in coal mines. Industrial production was halved and over 5,000 banks collapsed, which destabilized entire communities and increased homelessness. The economic crisis forced American workers to establish "Hoovervilles" as shantytowns across the nation because President Herbert Hoover's laissez-faire government did not offer sufficient assistance. Workers had two choices: accept the exploitation or to activate organized labor.

Before the crash, labor unions failed to make a significant impact on Americans workers' lives. In 1929, only 10% of the worker population were union members (3). However, workers' ability to unionize came from grassroots activism. The Communist Party together with other groups spearheaded the creation of unemployed councils, hunger marches, rent strikes, and protests about work environment quality. The National Miners' Union initiated coalfield strikes in Pennsylvania for wage fairness, while North Carolina textile worker walkouts maintained their stance despite police violence (4). The police tragically killed union organizer Ella May Wiggins during the strike (5). Efforts to improve the lives of American workers often ended in failure, yet workers gained public support through these events. Shifts in public opinion became increasingly obvious as images of evicted families in "Hoovervilles" and police brutality against strikers were circulated throughout the country.

Unions leveraged this critical period to increase their authority through public support. The American Federation of Labor (AFL) shifted its focus, moving from skilled workers to calling for worker solidarity across all fields and industries. While President of the AFL William Green was previously hesitant to resort to militant industrial unionism, his views changed after the worsening of worker conditions (6). On the other hand, the leader of the United Mine Workers (UMW) John L. Lewis strongly supported complete militant industrial unionism across entire industries, declaring "Let the workers organize. Let the toilers assemble. Let their crystallized voice proclaim their injustices." (7) By 1933, organized labor experienced rapid expansion due to public outrage and the decrease in employer legitimacy.

This surge of militant unionism coincided with rising violence as a response to labor organization efforts. In 1932, 17,000 World War I veterans camped in Washington D.C. demanding early pension payments. The demonstration ended with a violent crackdown from the U.S. Army (8). The shocking images of veteran's tents burning triggered major political transformations. Unions gained public support while President Hoover's reputation was further damaged as people demanded reform.

LEGAL EMPOWERMENT OF UNIONS (1933–1939)

Propelled by the damaging effects of grassroots mobilization to President Hoover's unpopularity, Franklin D. Roosevelt was able to win the 1932 Presidential Election by a landslide. After after taking office, he established major domestic programs that were called the New Deal. These programs provided unemployment relief and financial reforms that supported the jobless and impoverished. They also increased government spending which stimulated the extremely sluggish economy. An important part of Roosevelt's New Deal was the National Industrial Recovery Act (NIRA), an act that granted legal legitimacy to labor unions and ultimately institutionalized their power. This provision declared that employees should "have the right to organize and bargain collectively through representation of their own choosing." (9) Unfortunately, the NIRA was short-lived. Strong resistance from employers resulted in the NIRA being struck down by the Supreme Court in 1935. However, the NIRA was highly symbolic and opened the possibility of unionization being a federally given right (10).

Unions were granted significant political power when the National Labor Relations Act (Wagner Act) was enacted in 1935. Union leaders such as Sidney Hillman of the Amalgamated Clothing Workers union gave direct input in the bill's drafting. This moment turned unions into political entities that cooperated with the government. The Wagner Act guaranteed workers the right to organize and banned employer retaliation (e.g. blacklisting, espionage). It also established the National Labor Relations Board to mediate disputes (11). Workers now had more rights as the law prevented employers from firing workers for being union members. Unions gained official recognition through elections organized by the NLRB. While the AFL rejected the Act because they believed that it favored industrial unions, the CIO strongly endorsed it (12). During the 1936-1937 Flint Sit-Down Strike, the CIO used militant tactics under the leadership of the radical John L. Lewis. Auto workers occupied General Motors plants for 44 days to demand official recognition of the United Auto Workers (UAW). The strike was successful and GM officially recognized the UAW. This proves how the Wagner Act was highly successful in helping unions gain legitimacy.

The number of union members expanded to reach 9 million members during the six-year period from 1933 to 1939 (13). The rise in union membership can be explained by unions' adoption of a more inclusive approach. The CIO achieved success by organizing beyond racial and ethnic lines, incorporating different industries like steel, rubber, and electrical manufacturing. The inclusive approach proved to be much more effective than the AFL's exclusivity. Another example of this is the Steel Workers Organizing Committee's (SWOC) recruitment of Black workers. In 1937, U.S. Steel officially recognized SWOC (14). At the same time, many immigrant women in the New York garment industry joined the International Ladies' Garment Workers' Union. Employers were forced by the successful unionization of garment workers to increase wages and provide sanitary workspaces, ultimately improving working conditions for women.

Unions formed alliances with President Roosevelt, allowing them to gain prominence throughout his Presidency. Roosevelt consulted labor leaders like Sidney Hillman and Phillip Murray on New Deal policies such as the Social Security Act and the Fair Labor Standards Act that instituted a federal minimum wage (25 cent/hours) and a 40-hour workweek. Roosevelt's policies outlawed child labor in dangerous industries, which was a major triumph for the labor movement. By 1940, the labor movement successfully placed themselves at the forefront of policymaking, a remarkable feat considering the rise in anti-union sentiment just a decade ago.

INSTITUTIONALIZATION OF UNION POWER (1941-1945)

The subsequent events of World War II transformed unions from activists involved in policymaking into fully-fledged bureaucratic institutions. The war economy created an unprecedented demand for production. Resulting labor shortages allowed unions to negotiate from a rather strong position. The National War Labor Board (NWLB) was established in 1942 to enforce union contracts and "maintenance of membership" rules. For the duration of workers' contracts, they had to stay in the same union. This made unions more bureaucratic while workers lost some of their rights. The agreement let unions maintain consistent membership but required them to promise no wartime strikes. Workers had less bargaining power but production numbers were easily stabilized thanks to union leadership not organizing. However, militant attitudes among rank-and-file members did not subside.

In 1943, 500,000 coal miners ignored the pledges of union leadership and went on strike to demand higher wages. This strike halted a large portion of wartime production. After a month, the government relented and agreed to a 15% wage increase. A similar event occurred in Detroit. In 1941, the Ford's River Rouge plant's Black workers went on strike in open defiance against union leadership. Ultimately, the National Association for the Advancement of Colored People (NAACP) had to intervene as white workers walked out in response. The NAACP successfully de-escalated racial tensions, but minor racial conflicts continued after the intervention.

By 1945, 35% of non-agricultural workers were unionized and membership surged to 15 million (15). New government policies including employer-funded healthcare, senior protections, and wage increases (capped by the NWLB) protected American workers. These changes would not have been possible without unions influencing the government. By threatening a March on Washington to protest defence industry discrimination, the leader of the Brotherhood of Sleeping Car Porters (BSCP) secured historic gains for Black workers. President Roosevelt took the threat seriously and issued Executive Order 8802 to resolve the situation. The order banned racial bias during wartime hiring (16).

Union activism brought benefits to other labor groups apart from Black workers. Female workers joined the labor movement during this time. The United Electrical Workers secured equal pay clauses for women who worked in radio and electrical manufacturing sectors through their efforts. After the war, demand for manufacturing fell which led to a sharp decrease of the women population in the work force. Unsurprisingly, female union membership numbers plummeted. With less female union members, gender biases in the workplace became harder to address.

The war gave unions newfound legitimacy, yet their cooperation with the government generated distrust between their leadership and rank-and-file members. The institutionalization process transformed unions into mediators for industrial peace and eroded the militancy of unions in the 1930s.

CONCLUSION

The transformation of labor unions from 1929 to 1945, in part caused by the Great Depression and the Wagner Act, created long-lasting impacts on American society. The Wagner Act, along with its institutionalization process, provided unions with the power to develop and regulate proper labor-management relations. This role that is still performed by unions today. Through their negotiations, American workers secured higher wages and better benefits which drove the expansion of the American middle class post-World War II later on. The act helped make unions more democratic and reduced infighting by including provisions for union elections. The workplace adopted democratic elements through which employees gained the power to shape their employment terms. Becoming significant political players, unions were able to influence policy decisions beyond labor issues. The labor movement also succeeded in obtaining legal protections and rights for workers. This movement established an important precedent which civil rights movements utilized.

From an economic standpoint, wage growth and a more equitable distribution of income was achieved through the improved bargaining power of unions. Union efforts helped expand the American middle class and led to standardized wages which resolved pay differences among workers. However, major challenges remained, especially for black workers. Many African American workers received no benefits from unionization and New Deal programs. The shift towards more moderate unionism during and after World War II might have prevented greater reforms from being implemented.

The changes from this era continue to influence labor relations, workplace safety standards, and economic policy discussions in the present day. The period also demonstrated just how effective collective action can be. For American workers, it brought major legislative victories which enhanced the quality of life for working-class people and forced employers to better protect their employees. The study of past events about labor relations provides essential knowledge for handling an unpredictable future as artificial intelligence challenges the very existence of human labor.

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CONFLICTS OF INTEREST

The author declares that there are no conflicts of interest regarding the publication of this article.

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