

# The Labor Movement – Outline

## I. Changing employee-employer relationships

- a. Domestic system
  - i. Workers and employers knew each other personally
  - ii. Workers could aspire to become employers
- b. Factory system
  - i. Workers no longer owned the means of production (machinery)
  - ii. Employers (owners) no longer knew workers personally
    - 1. Factories often run by managers paid by the corporation
  - iii. Relationships between employers and employees grew strained

## II. Problems of the factory system

- a. Factories were crowded, dark, and dirty
- b. Workers toiled from dawn to dusk
- c. Young children worked with dangerous machinery
- d. Employment of women and children put men out of work
  - i. Because women and children were (legally) paid less for the same work
- e. Technological unemployment—workers lost their jobs as their labor was replaced by machines

## III. Poor living conditions

- a. Factories driven solely by profit
  - i. Businesses largely immune to problems of workers
- b. Factory (also company or mill) towns
  - i. Towns built by employers around factories to house workers
  - ii. Workers charged higher prices than normal for rent, groceries, etc.
    - 1. Workers often became indebted to their employers
    - 2. Created a type of forced servitude as workers had to stay on at their jobs to pay their debts
  - iii. Considered paternalistic by workers
    - 1. Some company towns had temperance laws, etc.
    - 2. A few employers had workers' best interests at heart
    - 3. But workers wanted to control their own lives

## IV. Slum living conditions

- a. Factory towns—often built and owned by factories
  - i. Not a strange concept to rural-to-urban migrants who were used to living on a lord's estate or property
  - ii. Full of crowded tenements

- iii. Few amenities
- b. Tenements—buildings with rented multiple dwellings
  - i. Apartment buildings with a more negative connotation
  - ii. Overcrowded and unsanitary
- c. Workers were unsatisfied both inside and outside the factories

**V. Rise of labor unions**

- a. Before labor unions, workers bargained individually—“individual bargaining”
  - i. Before factories, a worker could bargain for better wages and working conditions by arguing his or her particular skills
  - ii. But in factories, work is routine and one worker can easily replace another
- b. With labor unions, workers bargained together as a group, or collective—“collective bargaining”
  - i. Organized groups of workers elected leaders to bargain on their behalf
  - ii. Used tools (such as strikes) to gain rights

**VI. Weapons used by unions and employers**

- a. Weapons used by employers
  - i. At-will employment
  - ii. Blacklists
  - iii. Company unions
  - iv. Individual bargaining
  - v. Injunctions
  - vi. Laws that limit union activities
  - vii. Lockouts
  - viii. Open shops
  - ix. Outsourcing
  - x. Relocation
  - xi. Right-to-work laws
  - xii. Threat of foreign competition
  - xiii. Welfare capitalism
  - xiv. Yellow-dog contracts
- b. Weapons used by unions
  - i. Boycotts
  - ii. Check-offs
  - iii. Closed shops
  - iv. Collective bargaining
  - v. Direct political action
  - vi. Favorable labor legislation
  - vii. Feather-bedding
  - viii. Lobbying
  - ix. Picketing

- x. Sabotage
- xi. Strikes
- xii. Union label
- xiii. Union shops

## VII. British labor achievements

- a. Combination Laws, 1799-1800
  - i. Outlawed unions and strikes
- b. Disraeli Reform Act, 1867
  - i. Suffrage for workers
- c. 1875
  - i. Repeal of the Combination Laws—unions and strikes legalized
  - ii. Union membership grew as a result
- d. Labour party, 1900
  - i. Founded by bringing together different groups representing trade unions, etc.
- e. *Taft Vale* decision, 1901
  - i. House of Lords ruled that unions would have to pay financial damages caused by strikes (such as loss of income to employers), which threatened to end Britain's unions
- f. Labour party, after 1901
  - i. Worked for workers' rights
  - ii. Note: other major British political parties were Liberals (Whigs) and Conservatives (Tories)
- g. Trade Disputes Act, 1906
  - i. Protected union funds from the *Taft Vale* court decision
  - ii. Achieved by Liberal and Labour parties working together
- h. Osborne Judgment, 1909
  - i. Banned trade unions from donating funds to political parties
  - ii. Hurt the Labour party because poorer, working class party members could not provide salaries to the party's elected representatives
- i. Parliament Act, 1911
  - i. Stopped the House of Lords from vetoing laws passed by the House of Commons
  - ii. Paid members of parliament an annual salary (so that anyone could afford to serve)
- j. Labour party, 1920s
  - i. Surpassed the Liberal party in power
- k. Social security (a.k.a. social welfare), 1940s-1950s
  - i. Labour party government brought increased social programs, including socialized medicine, along with government control of several industries (electricity, steel, television)

## VIII. Legal protections for workers

- a. Limited hours for women
  - i. Later—equal pay for equal work
- b. Eventual end to child labor

- i. Schools and requirements for school attendance grew as children were removed from the workforce
- c. Health and safety codes
- d. Minimum wage
- e. Legalization of unions

**IX. Rights of female and child workers**

- a. Women and children could legally be paid less than men for the same work
  - i. Factory owners were more willing to hire them
  - ii. Male workers grew resentful
- b. English child laborers
  - i. England had a history (going back to the 17<sup>th</sup> century) of training pauper (poor) children (even those younger than five years old) in a trade
  - ii. Poor children followed their mothers into factories
- c. Early male-dominated unions fought to banish women and children from the workplace
  - i. Eventually this strategy was abandoned
  - ii. Women eventually won the right to equal pay for equal work
    - 1. Though women today, in reality, still earn less than men at the same types of work

**X. Social insurance/security**

- a. Accident insurance (known as workers' compensation in the United States)
  - i. France, 1928; Germany, 1884; Great Britain, 1906; Italy, 1898; U.S.A., by various state laws
- b. Sickness insurance
  - i. France, 1928; Germany, 1883; Great Britain, 1912; Italy, 1898; U.S.A., by various laws in some states
- c. Old age insurance (known as Social Security retirement benefits in the United States)
  - i. France, 1910; Germany, 1889; Great Britain, 1908; Italy, 1898; United States, 1935
- d. Unemployment insurance
  - i. France, 1928; Germany, 1911; Great Britain, 1912; Italy, 1947; U.S.A., 1935
- e. Socialized medicine (also known as universal health care)
  - i. France, 1948; Germany, 1884; Great Britain, 1948; Italy, 1948; U.S.A., Medicaid for the very poorest citizens in the 1960s, and under President Barack Obama, conservative reforms (by international standards) are set for all Americans in 2014

**XI. Review Questions**

- a. How and why did employer-employee relationships change during the Industrial Revolution?
- b. Describe living conditions in factory towns.
- c. Describe the weapons used by employers and unions.
- d. Why was the establishment of yearly wages for members of Parliament important to the British Labour party?
- e. What are the advantages and disadvantages of unions for workers and consumers?