Franklin D. Roosevelt entered the White House sympathetic to unions, though he thought the best way to help American workers was to enact laws establishing a minimum wage, the maximum hours a boss could force an employee to work, and unemployment insurance to fill the gap in the event of job loss. He also wanted to help workers secure a pension and, more generally, be able to buy the things they needed to live a happy and secure life—which would have the added advantage of lifting the American economy.

By the time he left the White House, FDR’s New Deal had done all that—and more. It had given labor the legal recognition it had sought for a century. Twice, New Dealers championed legislation that guaranteed a worker’s right to join a union and the union’s right to represent its members in bargaining with their employer. They established the National Labor Relations Board to arbitrate disputes that labor and management could not resolve on their own, and outlawed “company” unions and other unfair or coercive management practices.

New Deal legislation galvanized a union movement that had expanded in the early twentieth century, stalled in the 1920s, and stood poised in the early 1930s to organize workers in new industries and seek ways to protect them from suffering the brunt of economic bust. The Roosevelt administration’s refusal to use the courts to prevent or halt strikes fortified labor organizers and picketers who, braving beatings and gunshots, persisted in pressing employers to recognize their unions.

Workers in steel, auto, coal, and textile plants now allied with FDR. Union membership increased almost 500 percent during his presidency. As one North Carolina textile worker told the press, “Mr. Roosevelt is the only man we ever had in the White House who would understand that my boss is a son-of-a-bitch.”
The Right to Unionize

As Franklin D. Roosevelt’s first one hundred days came to an end, Congress passed the National Industrial Recovery Act (NIRA), FDR’s plan to secure business, labor, and consumer support for his “war against the Great Depression.” The NIRA was a daring proposal. Its architects hoped that by authorizing voluntary industry codes to limit output, set fair prices, and maintain decent wages, they could support the average American’s standard of living and lift the overall economy out of its tailspin.

Buried in Section 7(a) of the law was a provision that would change the terms of employment fundamentally: “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 of labor, or their agents, in the designation of such representatives or in self-organization or in other activities for the purpose of collective bargaining or other mutual aid or protection.”

The federal government had not only abandoned its long-standing opposition to unions but had actually affirmed a worker’s right to join a union while obliging his or her employer to recognize its legitimacy.

Section 7(a), however, proved hard to enforce. Many businesses insisted the “company unions” they founded and controlled represented their employees. The arbitration board 7(a) established did not have the political support or professional staff it needed to settle disputes. Moreover, when workers demanded their employers recognize authentic unions in place of sham management-created organizations, the unionists often met with bloody assaults from company police forces.

But Section 7(a) changed American law. It was the only part of the NIRA the Supreme Court ruled constitutional. Now that the right to organize had irrefutable legal standing, congressional New Dealers wanted a stronger system to protect that right.
Franklin D. Roosevelt, Robert Wagner, and the National Labor Relations Act

Senator Robert Wagner of New York was an avid supporter of the New Deal. His track record in labor reform—and his history with Franklin D. Roosevelt and Secretary of Labor Frances Perkins—reached back two decades. Wagner had served with Perkins on a commission investigating the 1911 Triangle Shirtwaist Factory fire, and in the state legislature with a young FDR. Having grown up in Manhattan among fellow German immigrants, he had experienced hardships most of his colleagues only read about. Throughout his career Wagner promoted policies that respected and empowered working-class people. As a senior U.S. senator he championed public housing, Social Security, public-works spending, and the right to organize—not just as matters of social justice, but because, like FDR, he believed the battered 1930s economy could not recover unless all Americans could afford to buy what they needed.

At FDR's request, Wagner led the difficult Senate fight for the National Industrial Recovery bill, facing stiff opposition from the U.S. Chamber of Commerce and other big-business representatives. Wagner's support proved crucial to its passage. When companies continued to thwart the intentions of the law's Section 7(a)—which gave workers the right to organize—it was Wagner who once again took the lead in fashioning a legislative solution.

The law Wagner proposed, which passed in July 1935 with Perkins's and FDR's enthusiastic backing, forms the bedrock of workers’ rights in America today. The National Labor Relations Act (also known as the Wagner Act) strengthened Section 7(a) and gave labor the federal protections it had sought for a century. The law guaranteed workers' right to join a union and empowered a strengthened National Labor Relations Board (NLRB) to monitor union elections. It promoted collective bargaining as the key to industry-labor relations, outlawed "company unions," and required employers to bargain only "with duly recognized union representatives." Just as important, it forbade employers from retaliating against workers who encouraged their coworkers to join the union and authorized the NLRB to penalize them if they did. It also gave the NLRB the power to arbitrate deadlocked labor disputes.

The act applies to workers in companies engaged in interstate commerce, but with some important limitations. Congress insisted on excluding domestic and agricultural workers, government employees, and workers for airlines and railroads covered by the Railway Labor Act of 1926 (which encourages mediation over strikes in those industries). As with other novel New Deal policies, critics soon challenged the act in court, but in 1937 the Supreme Court upheld its constitutionality in what proved a turning point for how the court would treat New Deal legislation, approving broader powers for the federal government to regulate companies that do business across state lines.

In this test case, National Labor Relations Board v. Jones & Laughlin Steel Corp., the NLRB took legal action against one of the country's biggest steel producers when it refused to comply with the board's order to rehire and give back pay to ten Pennsylvania workers fired for their union-organizing activities. The company argued its plant only engaged in manufacturing—not interstate commerce. Recognizing the plant's "close and substantial relation to interstate commerce"—it was hardly a local business governable by state law—the Supreme Court upheld the federal labor law and handed the Roosevelt administration a big win.

Top, left & right: A steelworker with smelter in the background, Chicago, Illinois, 1949. After the right to organize was secured by the National Labor Relations Act, union membership expanded in a robust manufacturing sector, contributing to the growth of a secure middle class during the post–World War II period. LOC

Left: Senator Robert Wagner of New York rejoices on hearing news that the Supreme Court has validated his National Labor Relations Act of 1935, April 12, 1937. The decision was part of an abrupt turn the court took that spring, beginning to uphold New Deal efforts to regulate the economy after consistently blocking the reforms. In this case, the court ruled that the government had the power to regulate a steel plant—specifically to enforce the right of workers to unionize there—even though the plant did not engage directly in commerce across state lines. LOC
II. Hope, Recovery, Reform: The Great Depression and FDR’s New Deal

7. A Friend of Labor: Franklin D. Roosevelt and Worker Rights

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The Fair Labor Standards Act

In Franklin D. Roosevelt’s bid to hire longtime colleague Frances Perkins as his labor secretary, he promised her that he would support legislation guaranteeing a minimum wage, setting the maximum hours employers could require their employees to work, and outlawing child labor for all involved in interstate commerce.

He understood that big business would fight these particular regulations tooth and nail and that the proposition in general—the idea that the federal government could set limits on how companies did business—would be intensely controversial. These challenges became even clearer in May 1935, when the Supreme Court struck down the New Deal’s National Industrial Recovery Act (NIRA), invalidating its industry-wide wage and hour codes as unconstitutional. Under the act, millions of employers had voluntarily adhered to the codes, displaying a “member” badge sporting a blue eagle insignia over the words, “We Do Our Part.” Americans were encouraged to patronize only “Blue Eagle” businesses in order to support workers—and the flagging American economy.

Despite the political challenges, FDR was determined to follow through on protections to place a floor under wages, a ceiling over work hours, and a ban on the exploitation of child labor. He asked Perkins to prepare legislation that could withstand the Supreme Court’s scrutiny. They agreed it would be best to introduce a bill after voters reelected him in 1936.

FDR sent Perkins’s draft bill to Congress on May 24, 1937. Fourteen months of legislative wrangling and intense union and industrial lobbying followed. Lawmakers proposed amendment after amendment. Perkins hired a young lawyer to track all discussion of the bill in Congress and elsewhere. After the House sent the bill back to committee late in 1937, FDR took the opportunity of his January 1938 State of the Union to argue that starvation wages and unlimited work hours hurt not only workers, but the economy as a whole. “Millions of Americans,” he said, “receive pay so low that they have little buying power. Aside from the undoubted fact that they thereby suffer great human hardship, they are unable to buy adequate food and shelter, to maintain health, or to buy their share of manufactured goods.”

In June 1938, the House and Senate finally passed the bill, and FDR signed the Fair Labor Standards Act into law on June 25, more than a year after its introduction to Congress. It set a maximum workweek of forty-four hours and a minimum wage of 25 cents an hour, and barred child labor. The law did not cover farm and domestic workers, or employees of companies doing most of their business in a single state. But it set an important and hard-won precedent for the right to a living wage.

Top: An Indiana glass factory, August 1908. The glass industry made heavy use of child labor in jobs that required little strength or experience, but kept children in hot, close factories for long hours. National Archives

Above, left: Addie Card, a young girl at work as a spinner in a Vermont cotton mill, February 1910. Children like her were desirable employees because they came cheap. By 1920, some 13 percent of textile workers were under the age of sixteen. The Fair Labor Standards Act not only made it illegal to exploit the labor of a child but also set a minimum wage for adult workers. The goal: to prevent situations in which people worked to the limit of endurance for wages that would scarcely sustain them. LOC

Above, right: Secretary of Labor Frances Perkins, pictured here in her office in 1939, made passage of a federal minimum wage and maximum hours law one of her main objectives. LOC
Sit-Down Strikes

Many major businesses refused to comply with the 1935 National Labor Relations Act guaranteeing workers the right to unionize. None were more defiant than carmaker General Motors (GM) and steel manufacturer U.S. Steel.

Emboldened by the new federal protections, the United Auto Workers (UAW), the union representing workers in the automobile industry, had quickly pressed GM to follow the law. When the company persisted in flouting its provisions, UAW workers employed by GM’s Fisher Body Plant Number One in Flint, Michigan, introduced a tactic that would galvanize workers and management alike—the sit-down strike.

Rather than simply walk off the job and picket the plant, workers returned to their workstations, sat down, and refused to leave until GM recognized their union and instituted a shorter workweek, a minimum wage, and a formal grievance procedure. GM refused, insisting the strikers were communists, outside agitators, and trespassers. But by early February 1936 workers had seized other key GM plants and brought production nearly to a halt. On February 11, 1937, the forty-fourth day of the strike, GM agreed to recognize the UAW and the strikers returned to work.

Three weeks later, U.S. Steel, fearing that a sit-in by frustrated workers could have a similarly disastrous effect on its production, announced that it would recognize the Steel Workers Organizing Committee, institute an eight-hour day and a forty-hour week, and pay “time and a half” for overtime work.

Eager to capitalize on these two dramatic victories, workers launched sit-downs in department stores, packinghouses, and other steel and automotive plants. Unlike at U.S. Steel, however, management in many of these facilities responded violently. They hired their own police forces; armed them with pistols, shotguns, and axe handles; and ordered them to dislodge strikers and attack their supporters.

On Memorial Day in 1937, for example, four hundred Republic Steel “guards” blocked a few hundred union supporters from marching to the plant’s main gate to support striking workers. When an angry marcher lobbed a stick at the guards, they turned their rifles, shotguns, and pistols on the crowd, killing ten men (seven of whom were shot in the back), wounding thirty other people (including a woman and three children), and permanently disabling nine more. Paramount Newsreel filmed the “maniical police riot” but thought it too violent to air in theaters. A congressional committee viewed it instead.

Violence continued throughout the year. While Franklin D. Roosevelt lamented the violence, he did not back away from the right to organize. By the end of 1937, more than 3.7 million workers had joined the Congress of Industrial Organizations, a newly formed federation of unions.
The Birth of the Congress of Industrial Organizations

The National Labor Relations Act both motivated and divided organized labor. Before the New Deal, unions primarily represented skilled, native-born workers such as metalworkers, carpenters, railroad workers, and people whose detailed work could not be replaced by machines. The American Federation of Labor (AFL), founded in 1886, served as the umbrella group for these skilled unions, focusing exclusively on wages and hours. But once the New Deal Congress had thrown its weight behind a worker’s right to join a union, labor leaders like John L. Lewis, Walter Reuther, Sidney Hillman, and David Dubinsky pushed to organize unskilled, first-generation American workers in the mining, auto, textile, and steel industries.

The AFL objected. By 1937 the four above-mentioned labor leaders had left the AFL to form a separate union, the Congress of Industrial Organizations (CIO). They hoped to make the CIO a powerful political force that could both serve as a counterweight to big business and push the New Deal to continue its commitment to social reform.

A bitter rivalry quickly developed between the two unions, both of which launched massive organizing campaigns. These membership drives soon faltered when recession undercut the nation’s economic recovery. But when the threat of another world war reinvigorated manufacturing of ammunition, planes, ships, and other war-related products, millions of defense workers rushed to join their ranks. By 1945, 35.4 percent of Americans who worked in manufacturing and retail had joined a union.

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