

Good essay on labor in the great depression

[Literature](#), [Russian Literature](#)



The stock market crash in October 1929 marked the beginning of the great depression (Rothbard, 209); one of the worst economic crisis to rock America, and indeed the entire world too. The great depression lasted for slightly over a decade, during which period economies around the world plummeted. With the declining economy, revenues, profits, and jobs also dropped (Murolo and Chitty, 187). Manufacturing and farming also declined, with the consequence that industries were forced to lay off some workers, and in some cases reduce the wages of the subsisting workforce. Even those with jobs were subjected unfavorable terms, especially in relation to wages and working hours.

The depression no doubt affected all sectors of the economy, especially the employment sector. As noted, the decline in agricultural and industrial output and consumer spending power led to massive layoffs. Even though President Hoover urged employers not to reduce wages or lay off workers (Murray, 210), such measures were inevitable in the circumstances.

Accordingly, the rate of unemployment was very high, with an estimated 15 million unemployed during the early stages of the depression (Hall and Ferguson, 113). The decrease in the number of employees weakened the trade unions (Dubofsky and Mc Cartin, 178), particularly the American Federation of Labor which lost over two million members by 1930.

The weakened trade unions were ineffective in fighting for the rights of workers. Some employers particularly took advantage of the unemployment rates to disregard trade unions. This situation was compounded by President Hoover's policy of government intervention or interference with the economy. Accordingly, the plight of workers was ominous during the early

stages of the depression.

During the run up to the 1932 election, Franklin D. Roosevelt promised to address the plight of workers as well as unemployment. Accordingly, he received a lot of support from workers; both employed and unemployed. When President Roosevelt took office, he embarked on a series of measures under the New Deal to address labor issues. Key among these was the enactment of the National Industrial Recovery Act (Murolo and Chitty, 192). Under section 7 (a) of the Act, workers were given the right to form and join trade unions so as to negotiate on working conditions.

Though this provision was readily received by employees, employers on the other hand strongly rejected the idea of trade unions. Attempts at forming trade unions were met with strong resistance by employers, who at that time had heavy influence on the police as well as the judiciary. Injunctions and police were used to counter actions of trade unions striving for recognition. Recognition was mainly sought through marches and strikes, with over 477 strikes recorded in 1937 (Murolo and Chitty, 207). For some time these proved ineffective but later they became effective.

An example of a successful strike was the sit down at the General Motors Company in Flint. The sit down was organized by the United Automobile Workers who wanted to form a single trade union to represent all automobile workers as opposed to the regional unions existing then. The union organized a sit down in GM's main unit, with workers locking themselves in the company, thereby grounding production from the company. The sit down lasted for almost two months, surviving injunctions and police action. The outcome was that the trade union was recognized as the single

representative of automobile workers.

This together with other related victories set the stage for bigger and stronger trade unions. Trade unions recognized the need to form strong unions, which was to be achieved with bigger numbers in terms of membership (Dubofsky and Mc Cartin, 187). Earlier on, in 1935 some of the unions in the American Federation of Labor, particularly the United Mine Workers of America (UMWA) started agitating for unionization of unskilled, semi-skilled, and African - American workers (Murolo and Chitty, 207). The leadership of the AFL was however not receptive to the idea and thus 8 unions formed the Committee for Industrial Organization (CIO) to advocate for the abandonment of craft unionism.

The eight unions were later expelled from the AFL, and they formed their own federation of trade unions. The Committee changed its name to Congress for Industrial Organization. The victories of the United Automobile Workers and Steel Workers Organizing Committee gave momentum to CIO as it went on to unionize workers that were previously not unionized or were in weak regional trade unions. AFL and CIO became rivals, trying to outdo each other in terms of membership until 1952 when they merged. The two unions however continued to fight for the rights of employees during the depression, especially with respect to wages and working hours.

Of the two unions, CIO adopted a more aggressive approach, in some cases adopting violent measures. It was also more actively involved in politics more than the AFL; contributing to various election campaigns. This was geared to ensure leaders favorable to its policies occupied office; this would give the CIO bargaining power, especially in relation to legislation and

government policies.

In conclusion therefore, although the labor movement might have done things that probably extended the depression, these actions nevertheless improved labor and productivity in the long run. Though strikes may have reduced production, they nevertheless reminded the employers to be sensitive to the plight of their employees. This ideally reminded the employer that as much as profits are important, humans too are. Perhaps this might have been the precursor to corporate social responsibility. Moreover, the improvement of the standards of living of the workers increased productivity, which in turn spurred economic recovery. Therefore, the labor movement was pertinent to the recovery of the economy after the great depression.

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