

JONES AND LAUGHLIN



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THE STAGE was set for one of the legal showdowns of the century. In November 1936, Roosevelt was re-elected by a landslide. Several months later, he unveiled his “court-packing plan,” complaining of the Supreme Court’s “nine old men” who had blocked his New Deal plans. In 1937, the Court saved the Act in a 5-to-4 decision upholding its constitutionality.

In the pivotal *Jones and Laughlin* case, the Supreme Court sustained Congress’s power to regulate employers whose operations affect interstate commerce, even though they were not directly engaged in commerce. The Court noted the effects of the 1919 steel strike as an example of how a labor dispute in manufacturing industries can impede the flow of goods in interstate commerce.

1. *New York Daily News*, April 13, 1937.

2. American Liberty League pamphlet on Wagner Act, Washington, D.C., April 1935.

3. First NLRB election was held in firehouse in Fort Wayne, Ind., December 1935, on behalf of workers at Wayne Knitting Mills.

4. Above, Crowds celebrate the end of strike involving 27,000 workers against Jones and Laughlin Steel Corp., Aliquippa, Pa., May 1937.

EXPANDING AGENCY MEETS HOSTILITY

CONSTITUTIONALITY DETERMINED, the Board's problems were far from over. The budding agency was besieged not only by employers, but by labor unions as well.

As Chairman Madden observed, "Employers almost universally did not welcome the Act"; many of them charged the Board with pro-labor bias. While management's reaction to labor's "Magna Carta" was not surprising, the American Federation of Labor's hostility to the Act and the agency was unanticipated.

Despite the hostility to the new law, the Board's caseload rose 1,000 percent after the *Jones and Laughlin* decision, prompting Congress to appropriate additional operating funds, and the agency to hire more employees.



1. UMW President John L. Lewis at miners' meeting, 1937.

CRAFT V. INDUSTRIAL UNIONS

IN THIS period, the Board was confronted with problems arising from the deep split within the labor movement as to whether the AFL should organize and represent industrial workers in the largely unorganized mass production industries. Since the 1890s, the AFL had focused on craftsmen, largely ignoring industrial workers.

The tensions between the craft and industrial unions erupted at an AFL convention in Atlantic City, New Jersey, in 1935. The industrial union leaders—including John L. Lewis of the United Mine Workers, Sidney Hillman of the Amalgamated Clothing Workers, David Dubinsky of the Ladies' Garment Workers,

and Charles Howard of the International Typographical Union—failed to win their position. In 1936 they formed the Committee for Industrial Organization (CIO) for the avowed purpose of organizing industrial workers "to bring them under the banner of the AFL."

The AFL perceived the industrial unions' conduct as dual unionism and demanded that the committee disband. The committee refused, and in August 1936, the AFL suspended most of the CIO unions involved. The CIO reorganized itself into a permanent organization and changed its name to the Congress of Industrial Organizations.

The problem of industrial versus craft unionism which the AFL and CIO leadership could not resolve came to rest on the doorstep of the NLRB, then only five months old.

The AFL charged that the Board was pro-CIO. The CIO joined the fray from time to time to protest decisions favorable to the AFL.



2. AFL Weekly News Service, April 1939.

CLIMATE OF OPPOSITION



William Green, President of the A.F. of L., complains: "The Board has gone to unlooked-of extremes in a perversion of the act."



Sherman H. Doherty, President of the rubber workers union: "The NLRB does not go far enough, needs more teeth."



Cyrus S. Chung, director of industrial relations for the U.S. Rubber Co., says: "For God's sake, let's stop calling names."



Charles Fahy, Board general counsel: "Follow the act as good citizenship requires, without reservation or attempt to evade."



Earl Reed, Pittsburgh attorney: "I will be glad to stipulate my attitude toward the Board in as expurgated a form as I can."



Raul E. D'Amico, recently elected President of Crucible Steel Co. of America, admits: "We are all maneuvering."



Philip Murray, Chairman of the S.W.O.C., says: "Labor is always ready to fight for its rights but it prefers peaceable negotiations."

A FORTUNE magazine article, "The G** D** Labor Board," (at right) described the atmosphere in which the Board worked in 1938.

The criticisms of the Board by management and labor came to a head in 1939 during a series of hearings conducted by Representative Howard A. Smith from December of that year to December 1940. A leader of the conservative bloc of the Democratic party, Smith charged the NLRB with a pro-union bias. He also claimed the agency was dominated by left-wingers and had been infiltrated by Communists.

Industrial relations have achieved the unreasoning bitterness of a holy war. They have become a battlefield of slogans and shibboleths, of coercion and propaganda, of intimidation and mutual accusation, of guerrilla warfare and strikes. It is this battlefield that the NLRB has invaded—

intending, according to its sponsors, to "smooth out obstructions to the free flow of commerce"—succeeding, according to its opponents, in making an already intolerable situation infinitely worse. Drawn up on one side is an almost solid phalanx of U.S. industry led by

the National Association of Manufacturers and the U.S. Chamber of Commerce, and at the moment heavily supported by the leaders of the AF of L. On the other side is the CIO and what is probably a majority of the rank and file of organized labor. — *Fortune*, October 1938.



1. Chairman J. Warren Madden before Smith Committee, 1939.



2. Smith Committee members (from left): Charles Halleck, Abe Murdock, Chairman Howard Smith, Arthur Healey and Harry Routzohn, 1939.



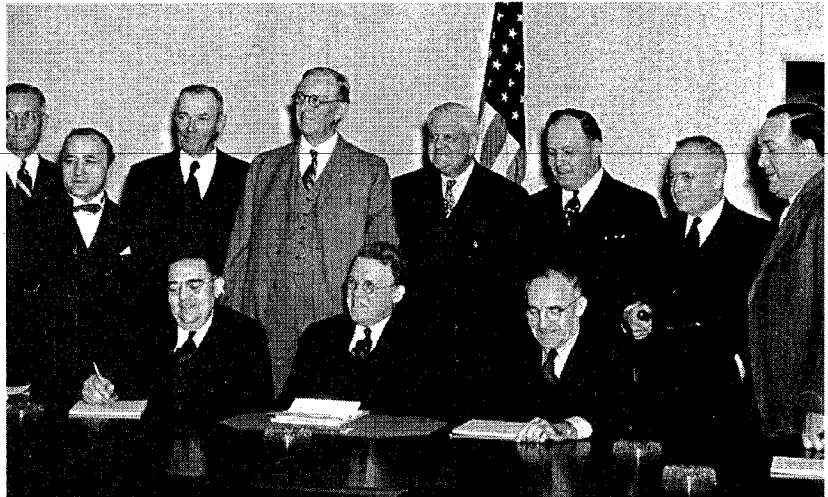
3. NLRB Conference, Washington, D.C., November 1938.

NATIONAL WAR LABOR BOARD

THE WORST of the Great Depression was over by the end of the 1930s, but a global war lay ahead. Shortly after America entered World War II in December 1941, President Roosevelt convened a labor-management conference to suggest ways of avoiding labor disputes so that war production would not be disrupted.

The conference agreed to reciprocal no-strike, no-lockout pledges and to the creation of an 11-member, tripartite National War Labor Board (NWLB) with powers to mediate, conciliate and arbitrate.

The resolve and productivity of U.S. workers during the war years in building America's industrial strength played a crucial role in defeating the Axis powers.



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1. War Labor Board,
January, 1942

2. Coca Cola plant
employees on strike,
Sikeston, Mo.,
May 1940.

3. The Smith Committee
made a point of questioning
a significant number of the
NLRB's women attorneys.
In this photo, Committee
General Counsel Edmund
Toland makes a point with
Elinore Herrick, the
Agency's first Regional
Director in Manhattan.



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POST-WAR UNION ACTIVITY



AFTER THE war, unemployment shot up as billions of dollars for defense contracts were canceled. Prices also rose dramatically.

Unions which had organized the mass production of industries just before the year—only to have their collective bargaining agreements frozen by wartime controls—wanted to make up for lost ground, particularly in the recessionary economy.

A wave of strikes in late 1945 and 1946 was the result. For example, in November 1945, the 180,000 members of the Auto Workers at General Motors struck for 113 days. In 1946, national strikes crippled the soft coal industry and the nation's railroads. That year, there were a staggering 5,000 strikes, involving 4.6 million workers.

1. Trial Examiner's Conference, Annapolis, Md., May 1942. Front and center, Board member Gerard Reilly; next to Reilly, at left, Board member William Leiserson.

2. NLRB election at Bethlehem Hingham Co., Boston, Mass., February 1944.

3. Pickets outside Greensboro, Ga., textile mill, May 1941.

4. International Harvester workers on strike, 1946.

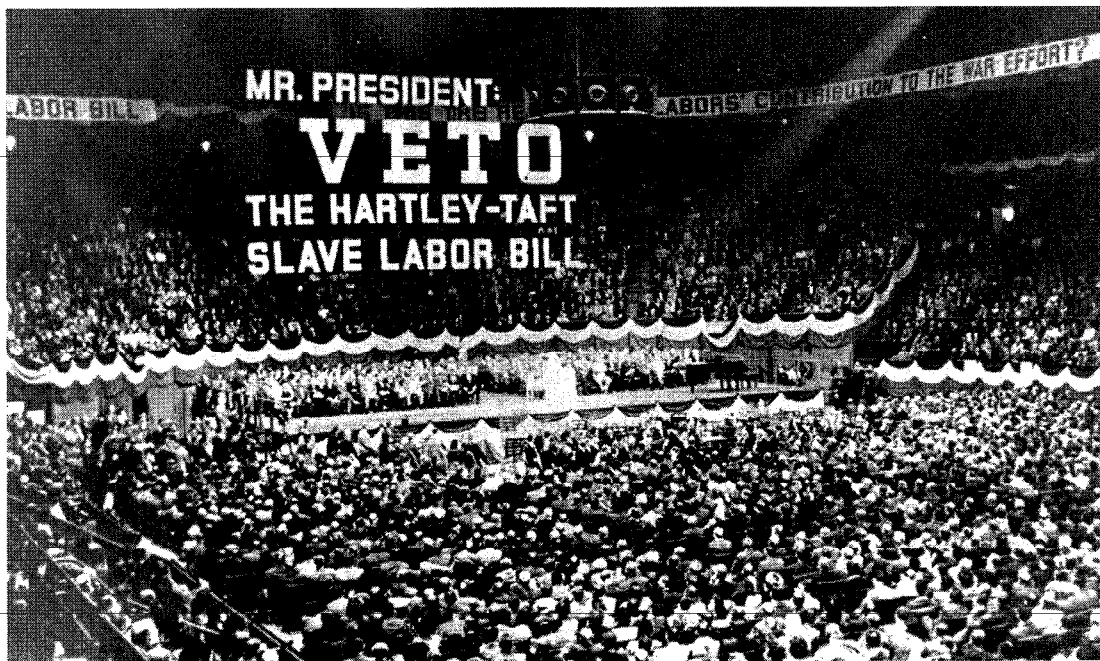
ANTI-STRIKE SENTIMENT

PUBLIC SENTIMENT was against strikes in the period following the war, and Congress was responsive to the national mood. In 1946, it passed some modest revisions to the Wagner Act, which were vetoed by President Harry S. Truman.

Voters in November 1946 elected the first Republican Congress since 1930, in part because of this sentiment against "labor's excesses." By 1947, the public no longer regarded organized labor as an underdog, but rather as having too much economic and political power. Changes in the Wagner Act were the inevitable outcome.



TAFT-HARTLEY ACT



1. AFL union rally, Madison Square Garden, New York City, 1947.

FROM THE day the Wagner Act became law, there was an annual flood of bills, resolutions and riders to amend or repeal it. By 1947, they totaled about 150.

The campaign to amend the Wagner Act in the 80th Congress was led by Senator Robert A. Taft of Ohio, chairman of the Senate Labor Committee, and Rep. Fred A. Hartley, Jr., of New Jersey, the Republican chairman of the House Education and Labor Committee.

Under the Wagner Act, there were only employer unfair labor practices. In May 1947, after lengthy hearings, Taft introduced a complex bill that would make unions subject to the NLRB's unfair labor practice powers as well. After nine days of floor debate, the Taft bill passed by a vote of 68 to 24.

On the House side, Hartley introduced a bill in April that was even more restrictive from Labor's standpoint. It cleared the House by a vote

of 308 to 107. A compromise measure approved by the House and Senate conferees easily passed the House and Senate in early June and was sent to the White House.

President Truman was urged by business and farm groups to sign the bill. Unions held rallies across the country denouncing the Taft-Hartley bill as a slave labor bill, and called for a veto. In June, President Truman vetoed the bill, labeling it "dangerous," "unworkable," "harsh," "arbitrary," and "drastic." Within several days, Congress overrode the veto by a wide margin and the Labor Management Relations Act became law.

3. Senate Labor Committee hearing on Taft-Hartley Act, February 1947.



2. President Harry S. Truman before broadcast on Taft-Hartley bill, June 6, 1947.

