

[Working on this...]

## Preface

I've included a quick timeline of how unions developed from 1768 to today. Although I think the historical context is helpful, the purpose of this paper is to highlight the tradeoffs of having labor unions and having the historical context isn't necessary to jump to the "Tradeoffs" section below.

# Labor Unions

People think labor unions are a balance between workers and business owners. Labor unions are actually a balance between union members and non-union members.

## Timeline: Labor Unions from 1768 to Today

Labor Unions in the U.S. started as a response to working conditions during the Industrial Revolution.

The first recorded strike was in 1768. Shoemakers in New York (called Journeymen Tailors) went out to protest wage reductions. 26 years later, in 1794, the first trade union was formed in Philadelphia—called The Federal Society of Journeymen Cordwainers.

Footnote: the difference between "trade unions" and "labor unions" is that trade unions represent workers in a specific industry/trade, but a labor union can represent workers across industries/professions.

In 1866, the first national labor union (called the National Labor Union) was formed—but only lasted 7 years (until 1873) because of racial, ethnic, and gender divisions.

In 1869, the Knights of Labor was formed with more inclusive principles to include more unskilled workers, women, and African Americans. By 1866, several trade unions joined, and the Knights of Labor became the American Federation of Labor (AFL)—led by Samuel Gompers.

Although the AFL resisted the racist, xenophobic, and sexist tendencies of the National Labor Union and earlier trade unions, in 1898 after facing too much opposition to get an interracial mechanists' union started, the AFL turned back on its founding principle and started the white-only International Association of Mechanists.

In the early 20<sup>th</sup> century, the Congress of Industrial Organizations (CIO) formed and by 1955 the two joined forces to create the AFL-CIO.

Then, in 2005, the Strategic Organizing Center (SOC)—founded as the Change to Win Federation (CtW)—split from the AFL-CIO to offer what's really the only alternative; almost all the unions in the country today operate under the umbrella of either the AFL-CIO or SOC.

## Tradeoffs

Organized labor unions have undeniably helped millions of people since the 18<sup>th</sup> and 19<sup>th</sup> century. By providing a collective voice, union members were able to bargain for higher wages, better benefits, and safer working conditions.

Those are of course all good things. But those good things come with tradeoffs and it's not just business owners that have to bear those costs.

## Labor Unions

1. New workers are barred from entering the workforce

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2. Costs go up, quality comes down

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3. Companies and unable to adapt to changing market conditions

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4. Employees are compelled to join even when they don't want to

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5. Internal corruption

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