

Philip Murray: Labor Leader of Steel

The First President of United Steelworkers of
America

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Abstract

Philip Murray was a Labor Leader primarily for the Steel Industry. He was an immigrant from Scotland that started in the coal mines of Pennsylvania. After a close encounter with some violent “company men” he began his pursuit of joining a union and creating fair labor for all steel and coal workers. Murray’s endeavors were noticed by President Harry S. Truman who had given him support in a few situations. Murray created a ripple effect of fair labor and fair wages through his unions that can be seen as a pattern effecting today’s industries still.

History



Phillip Murray was born in 1886, in Scotland. He died in 1952, from a heart attack in San Francisco. During his life, Phillip accomplished many great things. In the beginning, Phillip was the son of a catholic miner and union leader who migrated to Ireland from Scotland. Phillip became a coal miner and was paid by the ton that he extracted. Phillip saved enough money to move to America in 1902 (Fink, 1984). In 1904 Phillip became involved with United Mine workers of America because he had accused his manager of lowering his coal weight to lower his payout. In retaliation, Phillip punched his manager and was fired. The other coal miners went on strike to have him reinstated. In retaliation the company evicted Phillips family from the company housing (Fink, 1984). “The miners at Keystone, 600 in all, went out in support of Murray but all ended up living in tents for four weeks and being starved into going back to work” (Angelo, 1996). To receive such a response in face value is quite astounding, but to understand the sacrifice that the 600 supporter faced by doing so makes the support that much more amazing. These supporters, like many were abused by their employers and taken for granted because of their desperation. After all of the situation cleared the Sheriff escorted Murray out of town, instructing him to never return. In an interview Murray explained that at that time he decided what he wanted to do with his life (Angelo, 1996). Despite all of this, Murray was known to have a sense of humor. He was known to be a prankster as well (Chamberlin, 1946). Phillip preferred management cooperation, as oppose to the militant style that he had been exposed to while working in the coal mines of Pennsylvania. Phillip’s actions and desires of this management style brought him the attention of John White, who was the president of UMWA (United Mine Workers of America) (Chamberlin, 1946). Later, Murray

became the president of the UMWA and was endorsed by John White when running for the position. In 1905, Murray wanted to become a better president for his local area he enrolled in a correspondence that offered mathematics and science. This shows a great desire to succeed. As many know, education can lead to a much more successful career. This graph illustrates the

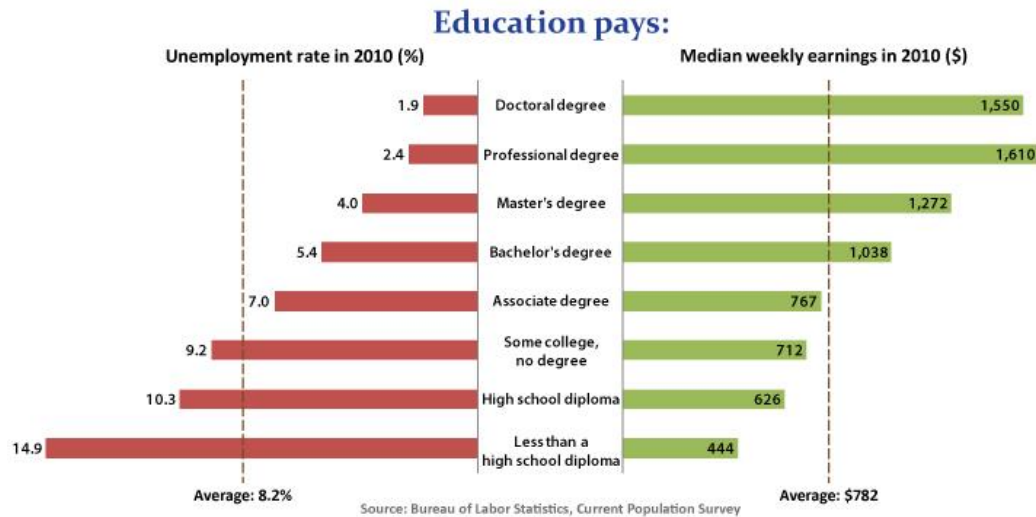


Figure 1: <http://www.onlinecolleges.org/degrees/online-postgraduate-certificate-programs/>

contrast between receiving a degree and not receiving a degree. As you can see, there is a large difference between someone that has a higher level of education and one that does not. Not only do the individuals that have a higher education make more, but their unemployment rate is also much lower than those who have little to no education. At the time the correspondence that Murray had received was not as easily taken as it is today. A correspondence course is a distance learning course. Today we have the internet to aid in long distance education. Although it was difficult, Murray completed his 18 month correspondence in 6 months. He did this by studying nights and working days. This helped him in the long run, just as the graph illustrated. “Being accountable to the requirements of the correspondence course did much to contribute to Murray’s later acumen as a United Mineworkers (UMW) Steelworkers Organizing Committee (SWOC) and United Steelworkers of America (USWA) negotiator” (Angelo, 1996).

Many companies and organizations rely on formal education because of these patterns. As can be seen below, the statistics for a Chief Executive Officer having a degree displays the worth of what Murray had pursued.

Number of CEO's (Census Bureau)	Number
General and Operations Managers	1,733,100
Chief Executives	400,400

Table 1: <http://www.statisticbrain.com/ceo-statistics/>

Education	
Bachelors Degree	47 %
Masters Degree	25 %
Ph.D	2 %

Table 2: <http://www.statisticbrain.com/ceo-statistics/>

Statistics for Forbes 500 CEO's Shareholder Return		
Type of Degree	Number of CEO's*	Median Total Return
No Advanced Degree	163	16 %
Doctorate	24	15.5 %
Master's Degree	37	15.3 %
M.B.A.	165	15.2 %
Law Degree	51	13.9 %

Table 3: <http://www.statisticbrain.com/ceo-statistics/>

As can be seen in in table 2 only 26 percent of General and operations managers in the United States do not have a degree. To place this into perspective, that means that do not have degrees, but 1,282,494 do have advanced degrees. Philip Murray was able to understand this concept and had the ability to apply it to his negotiations and leadership.

Murray strongly supported those who entered in the fight during World War I. One of the aspects he covered was that labor worked closely with the government in aid of the war

effort. Also, when the US entered the war, 60,000 miners entered the military. “That was one of the sacrifices the UMW made to show its support for America’s entry into the war” (Angelo, 1996). The sacrifice was not unnoticed, because of this President Woodrow Wilson appointed him to the Pennsylvania regional panel of the National War Labor Board and the National Bituminous Coal Production Committee.

SWOC

A short time later Murray became the chair of the SWOC (Steel Workers Organizing Committee) to which he made the claim, "Our first problem was to banish fear from the steel worker's minds" (Bureau for Historic Preservation, 2013). Murray oversaw a budget that consisted of \$500,000 and 200 organizers. With a conservative inflation rate of two percent per year, that would make the equivalent today to be about \$2,638,666. Murray’s previous education from his correspondence aided him in this endeavor. Through the SWOC, “U.S. Steel announced to the public that it had agreed to a substantial wage hike, to \$5 a day in northern mills; an eight-hour day and forty-hour week, with overtime; seniority protection; a basic grievance procedure; and, most noteworthy, full recognition of SWOC as a bargaining agent for its members (Bureau for Historic Preservation, 2013). This happened on March 2, 1937. A large part of this movement was because of the high demand of armor plating being produced for the war effort overseas.

CIO

After John L. Lewis retired from the CIO (Congress of Industrial Organizations) Murray was elected as the new president in 1940. The CIO was created because union presidents, including Murray, were tired of, “the refusal of the American Federation of Labor (AFL) to organize unskilled and semiskilled factory workers” (Rosswurm, 2013). This was defiantly no

easy task, but Murray and his colleagues were used to the trials that formulated when reorganizing against companies. The organizers, “faced employers who were both sophisticated and stubborn, with long histories of antiunion campaigns that often turned to violence” (Rosswurm, 2013). One of the environmental confounds that were in the favor of the CIO and Murray were unemployment and the war. The unemployment rates and latent disrespect for subordinates made it so that the employees did not have any loyalties to the companies, but in contrast created a loyalty for the CIO. The demand of steel and labor, with the low supply of workers from the war also contributed to the successful organization of the CIO. The graph below illustrates the enlistments to show that the demand of good labor would have gone up with

CHART 12.—*Incidence rates for influenza among white enlisted men serving in the Army in the United States, 1920–40*

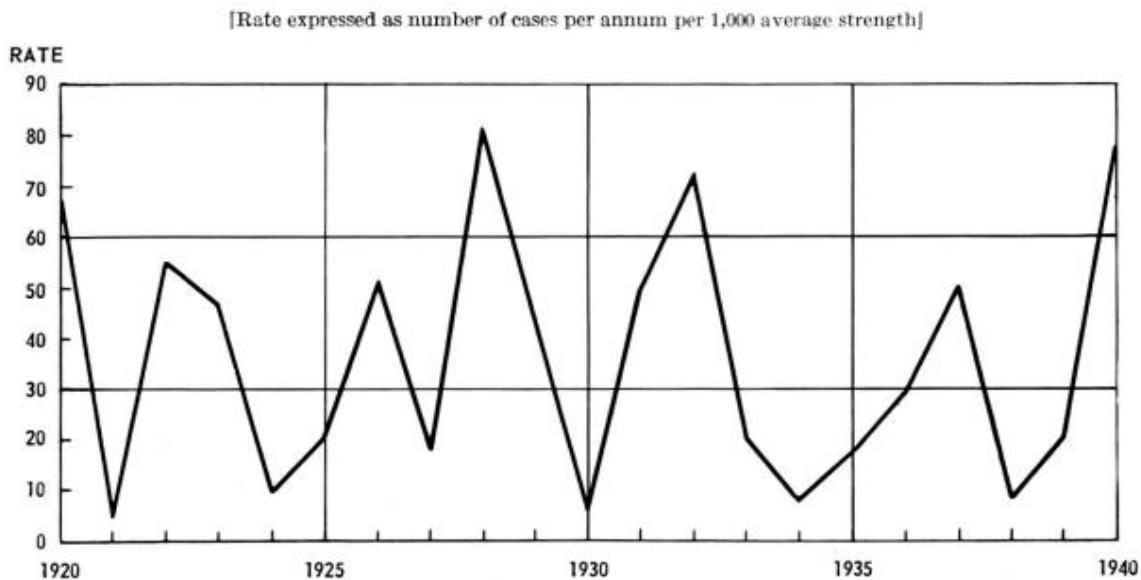


Figure 2: <http://history.amedd.army.mil/booksdocs/wwii/PM4/CH04.influenza.htm>

the war effort, but would have had a low supply due to the laborers joining in the peak times of enlistment. As can be seen in the graph before, enlistments sky rocketed in the 1940's. This event made it difficult for the companies to be too picky with the demands of the unions. This feat is still considered an amazing accomplishment in the environment that they were placed in,

“the hindsight afforded by years of deindustrialization and antiunion attacks, the CIO's successes (increased on-the-job dignity, advancements in civil rights, higher wages, and improved benefits), impressive enough at the time, seem virtually incredible” (Rosswurm, 2013).

Taft-Hartley Act

After the World War II Murray lead another strike in 1946 for the steelworkers. At first the employers had stated that the wage demands were too much and could not be met. At this point President Truman created a “fact-finding” board to reach an agreement. The agreement was to raise the price of business so that the demanded wages could be met. What followed after was something that Murray and his colleagues were strongly against, the Taft-Hartley Act of 1947. The Act, “enacted over the veto of Pres. Harry S. Truman—amending much of the pro-union Wagner Act of 1935. A variety of factors, including the fear of Communist infiltration of labour unions, the tremendous growth in both membership and power of unions, and a series of large-scale strikes, contributed to an anti-union climate in the United States” (Encyclopedia of Britannica Online, 13). The Taft-Hartley Act added, “new language was added to provide that employees had the right to refrain from participating in union or mutual aid activities except that they could be required to become members in a union as a condition of employment” (NLRB, 2013). The Taft-Hartley Act added 6 additional unfair labor practices. The Taft-Hartley Act declared “closed shops” illegal, but made it possible for a company to sign a “union shop” agreement stating that employees may be required to join the union after 30 days of employment.

The Taft-Hartley Act also prohibited secondary boycotts; placing pressure on an employee who neutral from any form of business with the disputed company. Unions were placed in check by prohibiting dues that were too high for an employee to afford. The contained a “free speech clause,” providing that the expression of views, arguments, or opinions shall not be evidence of

an unfair labor practice absent the threat of reprisal or promise of benefit” (National Labor Relations Board , 2013).

Congress also added four new elections; facing the demands of the union, a company can have a representative from the NLRB elected to aid in the matter; the other three were in relation to enabling employees to oust incumbent unions (National Labor Relations Board , 2013).

Murray and Lewis both apposed this act calling the “Slave Labor Act.”



Figure 3:<http://nlrb.gov/who-we-are/our-history/1947-taft-hartley-passage-and-nlrb-structural-changes>

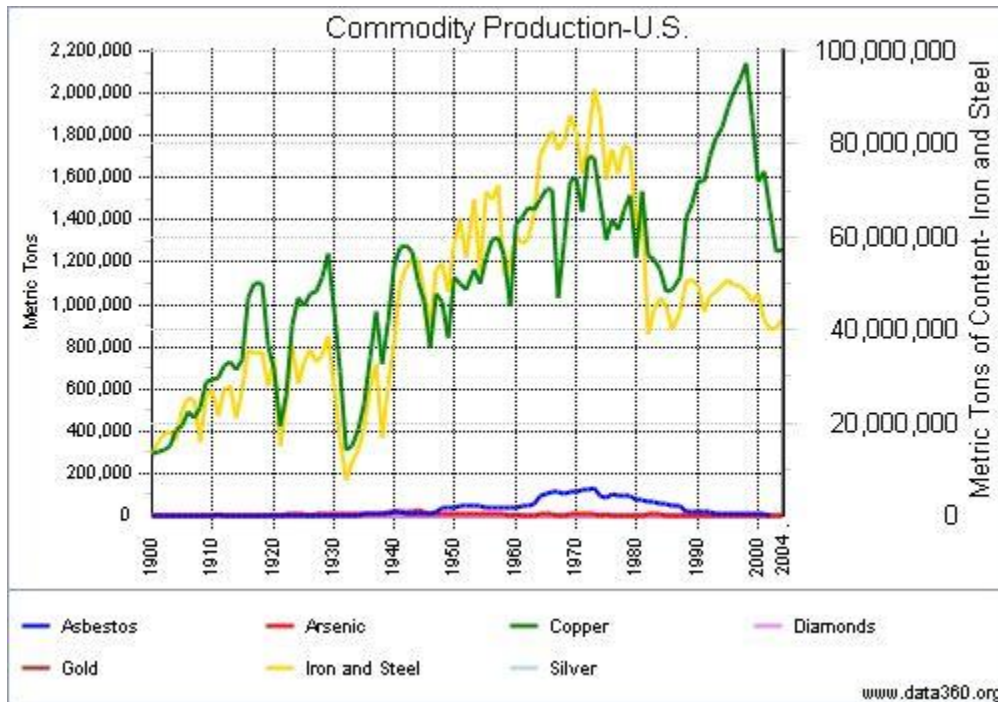
The bill was passed in May 1947. President Harry S. Truman vetoed the bill stating that, “the bill was dangerous, unworkable, harsh, arbitrary, and drastic” (National Labor Relations Board , 2013). Unfortunately the veto was overridden by congress and the Act stayed. Something that is noticeable and not mentioned is the influential power that the unions and Murray had gained. In

the beginning he was running for his life from standing up to unfair treatment to being an influential figure to the President of the United States. Eventually Murray and CIO were indicted for violations to the Taft-Hartley Act for endorsing a congressional candidate in Maryland publicly in their magazine. The Supreme Court quickly overturned the case stating that it was not an “expenditure” under the Act (Angelo, 1996).

1952 Steel Seizures

Murray led the USWA in one of the most famous strikes, the 1952 Steel Seizure. During this time, President Truman went to great lengths to support the union in the end, but it was a rough start, in which Murray had considered a great win. The Korean War was in its second year and steel was on a high demand. The steelworkers, and Murray, decided that they needed a pay increase and agreed to the Wage Stabilization Boards recommendation of 16.5 cents. Wage Stabilization Board (WSB) established as a constituent unit in the newly established ESA by EO 10161, September 9, 1950, under authority of the Defense Production Act of 1950 (64 Stat. 798), September 8, 1950” and was abolished, “Effective April 30, 1953, by EO 10434, February 6, 1953, following suspension of wage and salary controls” (National Archives, 18) Unfortunately, steelmakers and U.S. Steel lobbied congress and the Pentagon to not raise costs. “When negotiations between labor and management reached an impasse, the employees' representative, United Steelworkers of America, C.I.O., announced its intention to commence a nationwide strike on April 12, 1952, at 12:01 a.m. A few hours before the strike was to begin, Truman issued Executive Order 10340, which commanded the secretary of commerce, Charles Sawyer, to seize most of the nation's steel mills and keep them running” (Legal Dictionary, 2013). In my opinion, this was a desperate move in time that steel was in high demand.

This graph can illustrate the rises in the steel demand by following the yellow line:



As can be seen in this graph, the demand and production for steel had a peak time. This meant that laborers were needed as well. The executive order that was passed was brought to the Supreme Court and received a 6-3 decision to overrule the executive order. “The Court found that Truman had not acted pursuant to congressional authority. Prior to issuing the order, Truman had given Congress formal notice of the impending seizure. However, neither house responded” (Legal Dictionary, 2013). After a series of counter arguments the Supreme Court decided to override the executive order, leading to the unions regaining control over the steel mills and having the ability to strike. This was a victory for Murray, one that he felt was worthwhile, as it led to a pay increase for the laborers. Although Murray had endured humiliation and grief from all of his work, it had paid off.

Conclusion

In conclusion, Philip Murray had endured a lot in his time as a union leader. He started out as a coal miner that was mistreated and underrepresented. This led to him becoming a fierce fighter for the rights of laborers, both in coal mining and steel production. His work may have been overshadowed by some of the “bigger” labor leaders, but it had a rippling effect. It was somewhat difficult to find information on Philip Murray, but it was worth discovering his past and seeing the effect it has had today. As one last graph, that shows this rippling effect that Philip Murray has had in the steel industry:

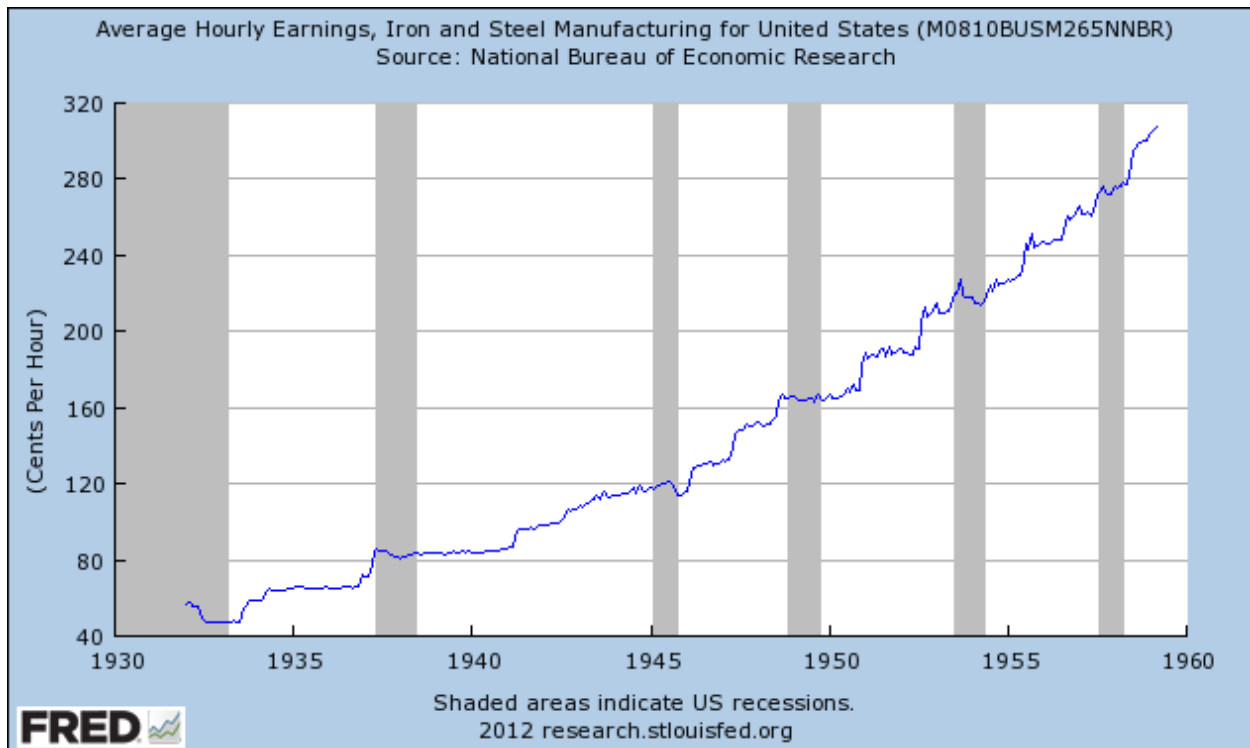


Figure 4: National Bureau of Economic Research; NBER Macrohistory Database
<http://research.stlouisfed.org/fred2/series/M0810BUSM265NNBR>

The wages of steel workers has been on a steady incline, as it should follow suit with inflation, due largely to Philip Murray’s contributions and fighting spirit for the fair treatment of workers.

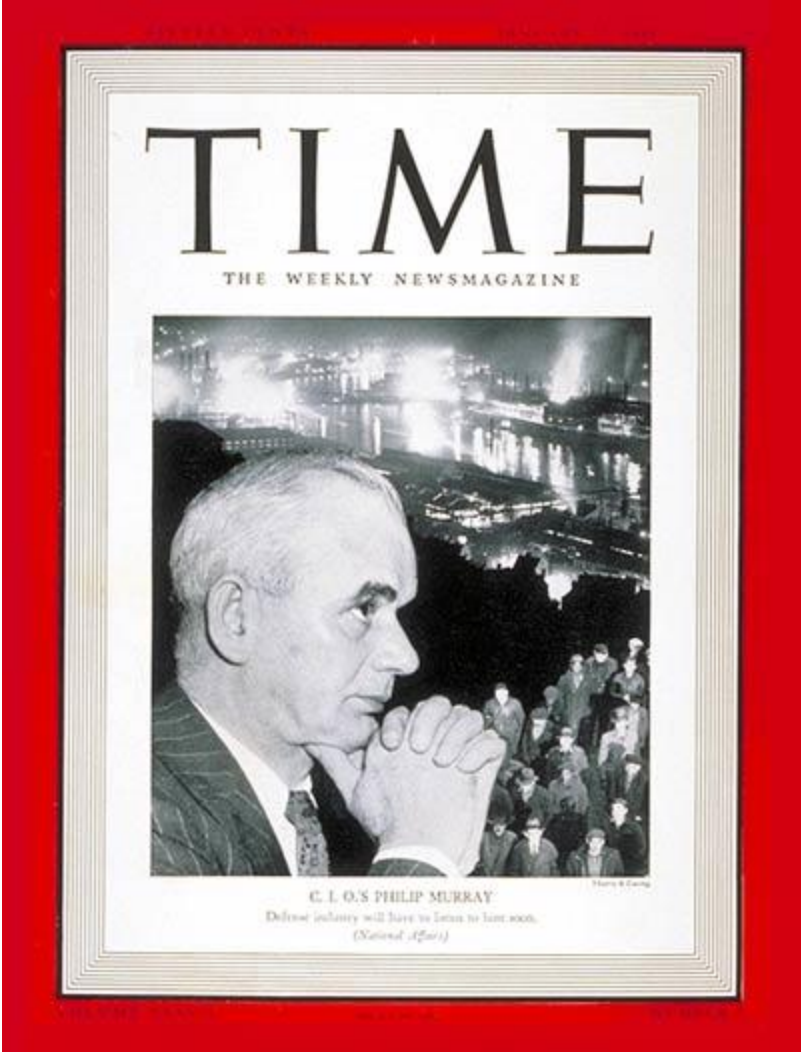


Figure 5: Time Magazine Aug 4, 1952;
Philip Murray died in San Francisco on November 9, 1952, of a heart attack

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