The 20th century also saw what one historian has described as the "degradation of work." The dream of the United States as an independent producers republic, which had inspired Americans from Thomas Jefferson to the Knights of Labor in the 1870s and 1880s, had long been dead. As early as 1877, two-thirds of American workers were wage laborers, with little hope of opening their own shops or owning their own farms. By 1940, no more than one-fifth of the population of the United States were self-employed. Wage labor—underpaid, demanding long hours, and subjecting workers to dangerous conditions (approximately 35,000 workers died in accidents annually at the turn of the century)—had become a permanent condition. Not only were the benefits of the wage economy unequally distributed, but the very nature of work became both more demanding and less satisfying. A profound contradiction emerged that arguably continues to shape workers' lives in the 21st century: "The scientific-technical revolution and 'automation' requires ever higher levels of education, training, the greater exercise of intelligence and mental effort in general," which is accompanied by "a mounting dissatisfaction with the conditions of industrial and office labor."

Despite their shared circumstances and some success in building a diverse labor movement in the early part of the century, American workers entered World War I perhaps more divided among themselves than at any other point in the nation's history. Nativism was on the rise, and workers were divided by skill, craft, race, gender, and region. Industrial employers took advantage of workers' fears and their internal divisions. On one hand, some corporate leaders developed systems of "welfare capitalism," voluntarily providing marginal benefits to workers in order to stifle their dissatisfaction at work. On the other hand, business leaders and their allies in politics and the press played workers of different backgrounds against one another in order to undercut the possibility of shared militancy. It would be difficult, even for the most privileged workers, to fight for a place in the system.

Fighting for a Place in the System

With a significant economic recovery underway in 1897, American labor leaders began a new organizing push, primarily through the American Federation of Labor (AFL), railroad brotherhoods, and various unaffiliated unions. These organizations largely excluded racial minorities and women, and this model of organizing sought to come to terms with, rather than to transform, corporate dominance of the industrial economy. Nonetheless, the leaders of these unions and their largely white, male rank and file won critical victories and increased the AFL's membership from 264,000 in 1897 to 1.6 million by 1904. Moreover, as the historian Julie Greene has shown, it is easy to overstate the apolitical character of the AFL's "pure and simple unionism." In addition to "bread-and-butter" contractual issues, the Federation actively pursued political influence in the late 19th and early 20th centuries. It is true, however, that the AFL assumed that trade unionists would speak for all American workers in the political sphere.⁷

The AFL sustained the power of craft workers in the construction and transportation trades, while also beginning to win benefits for some more skilled industrial workers. The railroad brotherhoods exerted significant, if informal, political influence through allies like Theodore Roosevelt in the Republican Party. Even mineworkers—who had a reputation as the most violent and militant of unionists, and who had, indeed, fought many labor wars—had gained enough leverage to cause President Theodore Roosevelt to mediate between the workers and the mine owners in a bitter 1902 anthracite coal strike.