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The labor issue in the USA in the first half of the 20th century
The contribution of the Catholic Church to its solution*

Abstract

The stance of the Catholic Church in the United States of America on the problems related to workers’ wages is an interesting issue from the point of view of the ethics of economic life and the development of Catholic social thought. The interpretation of the main Catholic social ideas contained in Leo XIII’s encyclical letter Rerum novarum was made by Father John Augustine Ryan (1896–1945), who soon became a major proponent of the idea that a good economic policy can only result from good ethics. In the history of the United States of America, the turn of the 19th and 20th centuries was a time of the development of labor unions, associations and workers’ organizations as well as the consolidation of efforts to achieve equitable remuneration (a living wage) and regulate working conditions. It was also a time of struggling with the ideas of socialism and nationalism. The Catholic Church played a significant role in the discourse on these issues, including the influence of John A. Ryan. His efforts led to one of the most important interpretations of economic life: The Program of Social Reconstruction (1919), and some of its postulates can be found in the New Deal legislation.

Keywords: John. A. Ryan, Catholic social thought in the USA, wages, labor conditions

JEL Classification: B31, J31

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1. Introduction

The stance taken by the Catholic Church[^1] in the United States of America on the problems related to workers’ wages is an interesting issue from the point of view of the ethics of economic life and the development of Catholic social teaching. The interpretation of the Catholic social thought contained in Leo XIII’s encyclical letter *Rerum Novarum* was made in the United States by Father John Augustine Ryan (1869–1945). He became a major proponent of the idea that a good economic policy can only result from good ethics.

In the history of the United States of America, the turn of the 19th and 20th centuries is a time of the development of labor unions and organizations as well as the consolidation of efforts to achieve equitable remuneration (a living wage) and regulate working conditions. It is also a time of struggling with the ideas of socialism and nationalism. The Catholic Church played a significant role in the discourse on these issues, with a great contribution on the part of John A. Ryan. One of the most important interpretations of economic life was the *Program of Social Reconstruction* prepared by American bishops in 1919. It became an important voice in the debate on social relations, referring to the message of *Rerum Novarum*. Certain elements of its postulates can be found in the legislation of the *New Deal* period. The aim of the paper is to follow the path of the introduction of new ideas in labor relations and their practical application in the form of the *New Deal* legislation. To achieve this goal, primarily the works of Father John A. Ryan, who was the first to introduce the ideas expressed in *Rerum Novarum* into the United States, will be used. His doctoral dissertation of 1906, which was published under the title *A Living Wage. Its Ethical and Economic Aspects* (cf. Sullivan, 2014, p. 7), is seen as the beginning of the development of Catholic social teaching in this country.

Due to the aim of the paper, the temporal line covers the years 1906–1937. It is delineated by the undertaking of the social issues and the attempt to interpret the encyclical letter *Rerum Novarum* by John A. Ryan. The end date refers to the implementation of the *New Deal* legislation, perceived as an attempt to introduce at least some Catholic postulates regarding social and political life.

The concept of the living wage as a postulate of higher wages for workers first appeared at the beginning of the 19th century. A living wage is remuneration above the subsistence minimum that will provide a worker’s family with an adequate standard of living. It should include, in addition to fulfilling basic needs such as food, clothing and shelter, also opportunities for social and economic development, i.e., expenditure on culture and education. The modern definition used in the USA includes expenses for housing, food, transport, medical care, taxes and childcare that far exceed federal and state minimum wages (Luce, 2012, p. 12).

[^1]: In the paper, the terms Catholic Church and the Church refer to the Roman Catholic Church. The author is aware of the presence in the United States of other Catholic churches, such as the Polish National Catholic Church, but this form contributes to the transparency of the text.
The issues of wages, hourly rates and finally the so-called basic income (i.e. a benefit paid by the state irrespective of employment) are currently under heated discussion; among others, the introduction of a benefit for all citizens, which is to be an alternative to increasingly complex social systems, is being considered. It is assumed that it will be a much cheaper solution. Currently, it is under consideration in Finland (an experimental program for a small group of citizens was carried out in 2017) and Switzerland (a referendum was held in June 2016). Also, in Poland, the government’s proposal to introduce a minimum hourly rate (PLN 13/hour) has stimulated discussion on wage conditions and the future of labor relations (cf. Leszczyński, 2015, pp. 53–55). It is certainly difficult to compare today’s discussion with the one conducted at the turn of the 19th and 20th centuries in the United States. The interest in the subject, however, allows one to think that a historical reflection may be an interesting reminder of the already developed solutions and proposals for improving remuneration conditions of workers.

2. The labor issue and the Catholic Church in the United States of America

The material situation of American workers was very diverse and depended on many factors. It is possible to distinguish the basic division of workers into two categories—their origin and professional qualifications. Skilled workers were the first to win the right to a 10-hour working day (in 1835) and a pay rise of up to 50% of the daily wage (in the years 1836–1837) from $1 – 1.20 to $1.50 – 2 (Rayback, 1966, p. 77). The situation of unskilled workers (mainly immigrants) was also influenced by economic fluctuations, and they often worked only on certain days of the week. A 10-hour working day for all workers was introduced in 1874 in Massachusetts (Whittelsey, 1905, p. 483). The discrepancy between the wages of skilled and unskilled workers was very large: in 1882, the average daily wage of a skilled worker in the factory was approx. $3.50, while that of an unskilled worker amounted to approx. $1.25; the average earnings in the factory were at the level of $3 (Hourwich, 1912, p. 283).² The average annual salary was respectively (Scheiber, Vatter, & Faulkner, 1976, p. 247):³

<table>
<thead>
<tr>
<th>Period</th>
<th>Average Salary</th>
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<tbody>
<tr>
<td>1865–1869</td>
<td>$347</td>
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<tr>
<td>1875–1879</td>
<td>$395</td>
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<tr>
<td>1885–1889</td>
<td>$503</td>
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<td>1895–1899</td>
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<tr>
<td>1901–1905</td>
<td>$606</td>
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<tr>
<td>1911–1915</td>
<td>$685</td>
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² For comparison, the average earnings of Polish immigrants in the years 1880–1914 ranged from $1 to $3.50 daily, and annually reached on average approx. $573 (cf. Walaszek, 1988, p. 37).
³ The calculations were made according to the purchasing value of the dollar in 1914. However, it should be remembered that inflation and growing living costs also contributed to an increase in wages.
The nature of the work also differed on the basis of gender. Women were most often employed as domestic servants as well as in the textile, clothing and food industries. Between 1880 and 1910, the percentage of women in the total number of employees increased from 15% to 20%, and during the World War I an additional one million women were employed (Scheiber, Vatter, & Faulkner, 1976, pp. 248, 323). Among men, individual nations had their own preferences, for example, the Irish and Chinese worked massively in construction, while the Italians, southern Slavs and Mexicans were employed in the construction of railways. Poles readily worked in heavy industry (in steel mills, foundries and mining), the Germans were employed in bakeries and breweries, while the French from Canada and some Italians in shoe factories. In addition, individual groups chose certain regions of the United States to settle in (Gabaccia, 1995, pp. 195–196).

The gradual improvement of material conditions did not fully compensate for difficult working conditions. This was particularly true if employees were dependent on the efficiency and productivity of machines, and the work system assumed the so-called piecework:

After marriage my husband never discussed too much about his own work [in Pittsburgh Steel Company in Monessen]. Just some day the machine didn’t work, and he would hardly make anything because he was on piecework. The machine used to break down for him. They would have these adjusters for the machines, and if they were busy on another machine my husband had to wait and lose time. So some days he would be working for ten or twelve dollars, where he could of made sixteen or eighteen dollars. That was the only thing he complained about. (The account of Rose Popovich in Bodnar, 1982, p. 50)

Submitting the rhythm of man’s work to the efficiency of a machine aroused understandable frustrations, especially when operating it was extremely unpleasant.

The machines are awfully oily. I know when I bought him [her husband] a pair of shoes he was lucky if he could work in them for three months. They would be soaked in oil. The oil splattered from those machines. (Bodnar, 1982, p. 50)

Another problem was child labor. It was not legally prohibited, but it was subject to certain restrictions, initially consisting only in prohibiting the use of too complicated machines by children. In 1903, The Factory Child Act established that children under 14 years of age could work outdoors (i.e. outside the area of factory halls); additionally it was stipulated that the working time of children under 12 years of age could not be longer than 6 hours (the regulation was in force only for the state of New York) (Bodnar, 1982, p. 61). Federal authorities recognized that the best way to solve that problem would be to introduce a school obligation. The dynamic development of the education system resulted in a more than double increase in the number of public school students between 1870 and 1900 (Faulkner, 1943, p. 473).
The Catholic Church in the United States of America became interested in the situation of workers, mainly due to the inflow of immigrants from Central and Southern Europe. Most of those immigrants were Catholics and issues of labor relations were particularly important to them. In the years 1890–1920, the number of the faithful increased from 9 to 18 million (Lewicki, 2012, p. 292). The rapid growth of the Catholic community resulted in the need to create institutions that could support the newly arrived immigrants, which caused huge expenses. The social problems emerging with the growing wave of immigrants became a pressing issue for American bishops. The first to respond to that issue was Bishop John Hughes (the Coadjutor Bishop of New York City from 1838). He stated that the bishops, as trustees of church assets, must take care to secure financial resources for all the needs of the faithful, especially those who could not take care of themselves. Bishop Hughes was convinced of the need to know and understand economic mechanisms, as they had a significant impact on the life of the community. He came to the conclusion that the political economy should be adapted to the realities of a given country, since that economy motivated individuals to action, and the Church could not ignore that fact. Bishop Hughes sought to make the Church an intermediary between particular groups of interests: landowners and agricultural workers as well as industrialists and workers. Thus, it would have a chance to introduce the spirit of Christian justice into the relationship between those parties (Chinnici, 1986, pp. 149–151). Resistance against the immigration of Catholics was connected with, among others, the issue of loyalty to the Papal States and the Pope, which was considered to be contrary to loyalty to the American state. The progressive faction of the American Episcopate headed by Archbishop John Ireland and Cardinal James Gibbons tried to prove the absurdity of those allegations. The address of Archbishop Ireland at the Third Plenary Synod in Baltimore in 1884 was an attempt to defend American Catholics against allegations of disloyalty to the liberal ideals (both political and economic) of American democracy. It was also one of the first in which social issues were raised as well as the issue of the Church’s attitude towards state institutions. Archbishop Ireland indicated, among others, a lack of contradiction between the Catholic faith and loyalty to the state (Ireland, 1885, pp. 11–32, the title above the article is not the same as the title in the table of contents and it reads: *The Church – the Support of Just Government*). It should be remembered that in the United States, the separation of the state and the Church, emphasized in the First Amendment of the US Constitution, is one of the most important foundations of statehood. Ryszard M. Malajny has enumerated the principles in the state-church relations in the United States resulting from the First Amendment. They include separation, equality, voluntariness, the non-interference of the state in matters of religion, accom-

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4 The First Amendment of the U.S. Constitution: “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.” (more on the subject of the separation of the Church and state in the USA in Napierala, 2015, pp. 105–110).
modation of the state, mutual abstaining of the state and the Church from interference in their respective affairs, the cooperation of the state and the Church, and the neutrality of the state (Malajny, 1992, p. 270).

The labor unions that favored the Church and Catholic immigrants, including the Knights of Labor and the American Federation of Labor, also dealt with important problems of workers. They supported the program of encouraging workers to save and invest in shares or even providing workers free of charge with some of the shares of the enterprises in which they were employed, as postulated by the Rerum Novarum encyclical. The idea was considered good, because, as Leo XIII had predicted, it was supposed to prevent strikes, making workers co-owners of enterprises, and therefore co-responsible for their development and success. It was widely implemented in 1920, however, by 1922, as the Federal Trade Commission calculated, only 7.5% of the shares went into the hands of workers.\(^5\)

3. The activity of John A. Ryan

John A. Ryan (1869–1945), the son of Irish immigrants, was born in the small town of Vermillion near St. Paul in Minnesota. In 1892, he graduated from St. Thomas College in St. Paul. He was ordained a priest after graduating from the Archdiocesan Seminary in St. Paul by Archbishop John Ireland. After his ordination, he was sent to the American Catholic University in Washington, where he studied moral theology (McShane, 1986, pp. 26–27). After his studies (in 1902), he returned to the seminary in St. Paul as a teacher of moral theology. In 1906, Father Ryan defended his doctorate in theology (Ryan, 1941, pp. 78–79). He remained a teacher at the seminary at the time when he was working on the book entitled A Living Wage.\(^6\) Thanks to the book, Fr. Ryan was appointed (in 1915) professor of moral theology at the American Catholic University. He held this function until his retirement in 1939. At the same time, he taught at the Trinity College, was the chairman of the Social Action Department of the National Catholic Welfare Conference and the editor of Catholic Charities Review (McShane, 1986, p. 27).

Having so many functions meant that Fr. Ryan became the biggest propagator of the idea of Catholic social activity. With time, he earned the title of Right Reverend New Dealer.\(^7\) He was able to use moral theology to solve social, political and economic dilemmas. He drew a simple conclusion from his observations: a good economic policy can only result from good ethics (Purcell, 1946, pp. 154–157). However, the observation was insufficient; it was necessary to introduce

\(^5\) There are no data on whether this percentage concerned the number or value of the shares (Faulkner & Starr, 1958, pp. 175–176).

\(^6\) Ryan’s A Living Wage was published by the Macmillan Publishing House (New York) in 1909. Then in 1910, French and Spanish-language translations of the work were published. Cf. Ryan, 1941, p. 82.

\(^7\) It was connected with the cooperation of Fr. Ryan with institutions established under the New Deal, e.g., the National Recovery Administration (Broderick, 1963, pp. 213, 227).
practical solutions to achieve the intended goal. Ryan returned to the source of modern Catholic social science—Leo XIII's encyclical letter *Rerum Novarum*. He became its zealous promoter and read it in the context of the socio-economic situation in the United States. He clarified and explained the possibilities of its application and became the first professor at the Catholic American University who taught economics as integral knowledge necessary for every clergyman (Abell, 1946, p. 130). Ryan, justifying the need to study knowledge about society in seminaries, stated that it was necessary, as it added credibility to the priestly ministry. That knowledge was necessary for clergymen to work in working-class communities and to solve their problems, including social ones (Ryan, 1908, p. 446).

Ryan's reflections on social issues originated from the foundations of the Catholic faith:

The chief business of life, in the eyes of a Catholic, is the saving of his immortal soul. Man's life on earth lasts but a few short years; his life beyond the grave is endless. The quality of this after-life will depend, in the case of each individual, on the manner in which he has spent his earthly life, and on the relation in which he stands to his God at the moment of death. If he dies at peace with his Maker he will be admitted sooner or later to a condition of unending happiness; if he dies at enmity with God he will be doomed to eternal misery. Hence the primary consideration for every reasonable man is the kind of existence that he shall enjoy beyond the grave. His existence on earth is of real importance only because it is the period within which he determines whether he shall be happy or miserable in the life to come. Why ever a man's earthly happiness or welfare comes in conflict with his eternal interests he will decide in favor of the latter. The true significance of life on earth lies in its relation to the life to come. (Catholicus, 1901)

This led to the recognition, following the teaching of Leo XIII, of social issues as a problem of religion and morals, since every human activity lies naturally in the interest of the Church (Ryan, *Church and Economic Problems*...). It was necessary to include such a reservation in Ryan's polemics so as not to explain each time his right to raise social issues to socialists who believed that religion did not have a voice in those matters.

The Church had various methods of influencing the situation of workers. Ryan described them as follows:

These then, there are the three principal ways in which the authority of the Church may properly make pronouncements concerning business and industrial relations: by applying the general principles of morality to particular economic practices; by passing judgment upon the morality of particular methods or measures of reform; and by advocating and urging the adoption of certain methods and measures. All the great encyclicals and other declarations of the Pope on the social question exemplify all three of these forms of "Intervention". (Ryan, *The Church and the Social*...)
Determining the attitude toward socialists in Ryan’s teaching is a problem. Since socialists attacked the Church and its approach to social issues, dialogue was significantly hampered, though Ryan did not rule it out. The two basic socialist economic postulates comprised the joint possession and management of the means of production as well as the collective distribution of goods. The first of the postulates, although impractical (according to Ryan), was not bad, as employees could own and manage the company in which they were employed. Ryan considered this solution to be consistent with Catholic justice, provided that each employee would hold some of the company’s shares as inviolable property. The second postulate of socialists regarding the collective distribution of goods, Ryan rejected since he believed that this would lead to abuse (Catholicus, 1901). The main issue, therefore, was that he supported the concept of public property, which did not necessarily mean socialism (Ryan, The Catholic Church…). Ryan sought to introduce social reforms but not socialist ones (Ryan, The Church and the Radical…). Despite his clear intentions, he was accused of exceedingly leftist views. He demanded a modern and open debate on the living and working conditions of workers and their needs. The open discussion gave workers the right to present their needs and expectations and to confront them with the employers’ proposals. This served to promote a fair resolution of conflicts and was much better than power plays such as strikes.

The most important point of Ryan’s deliberations was addressing the so-called living wage. This concept defined the level of remuneration that an employee should receive in order to live with dignity and support the family. He defined it in the following way:

Briefly defined a living wage is a wage adequate to a decent livelihood. It is that amount of remuneration which will provide the laborer with a livelihood becoming to, worthy of, proper to a human being. Hence the concepts of a living wage and a decent livelihood are fundamentally moral rather than physical or economic. They apprehend the laborer as a person, as a quasi-sacred entity, as a being possessed of intrinsic worth, as “an end in himself”. The laborer is not conceived as a mere means to any other individual, nor to any social purpose or interest. He is a person, morally obliged and morally privileged to pursue self-perfection, to develop his personality, to live a reasonable human life. For this purpose he must have the means of exercising and developing all his faculties, physical, mental, moral and spiritual. To what degree? Well, to some degree; to a reasonable degree; to that degree at least which is necessary in order that he may live as a human being, and not as a horse or a pig. So much at least is embraced in the idea of a decent livelihood. (1912, p. 11)

Ryan determined the average wage that would ensure a good family life in the United States in 1910 in small and medium-sized cities at around $700 a year; in large cities at approx. $800-900 a year. He calculated that in Massachusetts, only approx. 25% of workers’ families met such economic criteria, and only on

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8 A detailed analysis of this issue was carried out in the work of J.A. Ryan (1912, pp. 81–122).
the assumption that workers could find permanent employment and work all year round (Ryan, 1910, pp. 810–811). In the context of this calculation, it should be added that average earnings of immigrants were usually about 25% lower than the earnings of Americans. It was, therefore, necessary to introduce a law regulating the amount of earnings so that it would not depend on the origin of workers. If necessary, he proposed restricting immigration and adapting it to the pace of economic development (Ryan, 1911, p. 5).

The initiative of the state was necessary to regulate those issues. Ryan, following the teaching of Leo XIII included in Rerum Novarum, reminded that the state should intervene in workers’ conflicts and provide such working conditions that there would be fewer such conflicts. The state should offer protection to society as a whole but also look after the interests of particular social groups, in this case, workers (Ryan, 1921). The law established by the state should provide workers with reasonable minimum standards of labor and livelihood (Ryan, 1920).9

This concept, however, needed justification in the actions undertaken by the workers themselves, as they should have enough power to demand their rights. For this purpose, Ryan thought that labor unions were necessary as an honest representation of workers.

The labor union is necessary, not simply because capital is likewise organized, but because the individual worker is unequal in bargaining power to the individual employer. As the industrial system is now organized, there is no adequate substitute for the labor union. Not all employers are sufficiently benevolent to wish to do justice to the employees, and even if they were all so disposed, they could not carry out their intentions because their conceptions of fairness to the workers are necessarily inadequate. No social class is capable of correctly interpreting justice for a different social class. Schemes of “employee representation” or “company unions”, cannot be an adequate substitute for the union so long as they deprive the workers of complete freedom of representation in collective bargaining, and so long as they are set up in antagonism to the union. (Ryan, The Right and Wrong...)

Summing up the encyclical Rerum Novarum, John A. Ryan stated that Leo XIII had not provided a full answer to what industrial relations should look like, as the Pope had defined only certain minimum requirements which ought to be observed in accordance with Christian morality. That is why Ryan lamented that such a rich state as the United States could not afford to establish adequate laws that would ensure those minimum requirements, especially since it was the American workers who were the main drivers of economic success and they were entitled to receive remuneration commensurate with that success (Ryan, A Constitutional Amendment...).

Due to his unusual activity in solving workers’ problems, John A. Ryan is considered the father of contemporary Catholic social thought in the USA. He contributed to a more in-depth study of these issues and prepared the ground for the publication of the *Bishops’ Program of Social Reconstruction*.

4. The Bishops’ Program of Social Reconstruction

*The Bishops’ Program of Social Reconstruction* (1919) was a response to the socio-economic challenges resulting from the First World War. The Catholic Church in the United States during the First World War behaved in an unprecedented way. It acknowledged the participation of Catholics in the war as their patriotic duty, but at the same time turned to the state authorities with a proposal to help ease the burden of war on society. The most important manifestation of that activity was the establishment of the National Catholic War Council, i.e., the council which coordinated the efforts of Catholic organizations: social, educational and charitable (Ryan, *A Constitutional Amendment*..., p. 144).

The organization was functioning so well that the American Episcopate deemed it appropriate to continue its activities even after the end of the war. The National Catholic War Council was transformed, with minor organizational changes, into the National Catholic Welfare Conference, which was to continue the work of social action in times of peace (Ryan, *A Constitutional Amendment*..., p. 139; see also *Pastoral Letter*... 1920, p. 35).

*The Program of Social Reconstruction* was aimed at countering the effects of the war on American industrial society. The creators of the program were Bishop Rockford Peter J. Muldoon, as the Chairman of the Administrative Committee of the National Catholic War Council, Bishop Toledo Joseph Schrembs, Bishop Tagaste Patrick J. Hayes (later the Archbishop of New York), and Bishop Charleston William T. Russell. The authors of the program indicated at the outset that that was only a proposal and it could be subject to discussion. However, it was based on the strong foundations of Catholic social teaching and, as such, worthy of consideration:

Its practical applications are of course subject to discussion, but all its Essentials declarations are based upon the principles of charity and justice that have always been held and taught by the Catholic Church, while its practical proposals are merely an adaptation of those principles and that traditional teaching to the social and industrial conditions and needs of our own time. (Ryan & Husslein, 1920, p. 220)

The bishops admit that they are not able to determine the exact needs, or estimate which of the shortcomings of the social system need to be repaired most urgently and how they should be repaired. Similar caution could be found in the encyclical *Rerum Novarum* whose intention was not to shape a new socio-
economic system but only to indicate some basic principles that people should follow in order to maintain a just social system.

The bishops developed their program largely for fear of spreading other proposals among workers, including the Social Reconstruction Program prepared by the British Labour Party in 1918 and also known in the United States. Because of the radical socialist demands, in particular, the nationalization of industry which was not compatible with the principle of inviolability of private property, this concept was rejected and condemned by the Church in the USA.

The bishops also discussed the program prepared in 1919 by the American Federation of Labor (AFL). It dealt with three main issues: labor law as well as industrial and social regulations. In the area of labor law, the demands included primarily limiting working time to 8 hours a day and ensuring that the work week would not be longer than 5.5 working days (for most employees it meant free Sundays and reduced working hours on Saturdays). The program proposed wage equality between men and women, if they performed the same work, and it stipulated that women’s work should be adapted to their physical strength and not impact negatively on motherhood. The prohibition of employment of young people under the age of 16, and only for 20 hours a week to 18 years of age (guaranteeing at least 20 hours a week for education), was also postulated (American Federation of Labor, 1919). It was decided that the best solution for maintaining strategic industries, services and transport (railway, water supply, gas pipelines, public transport, etc.) in good condition and at an appropriate price level would be their nationalization. At the same time, employees of nationalized enterprises were to be allowed freedom of association in labor union organizations (American Federation of Labor, 1919, p. 1–2]). In social matters, the American Federation of Labor focused in its report on the resolution of the most urgent needs: all workers, both skilled and unskilled, should receive remuneration to keep their families at a decent standard of living, which is defined as follows: “a wage which will enable the worker and his family to live in health and comfort, provide a competence for illness and old age, and afford to all the opportunity to cultivate the best that is within mankind” (American Federation of Labor, 1919, p. 1–1). In order to provide workers and their families with adequate housing, efforts were made to persuade the government to introduce a plan to build affordable flats and houses, and to launch cheap loans for which workers could buy them (American Federation of Labor, 1919, p. 1–3]).

The bishops considered the program of the American Federation of Labor to be relatively modern and reasonable; however, one element aroused their reservations. In order to obtain more funds to fulfill its demands, the AFL proposed imposing an additional tax on land and a special wasteland tax. Refusal or inability to pay those taxes could lead to confiscation; hence the bishops could not accept such a solution (Ryan & Husselsin, 1920, p. 223).
The Social Reconstruction Program, prepared by the National Chamber of Commerce, was the only proposal for the improvement of industrial relations brought by American employers. It did not seem interesting to the bishops. In addition to empty declarations of friendship and the commonality of interests between employers and workers, it limited itself to condemning the government’s policy on monopolies, including mitigation of the Sherman Anti-Trust Law. However, that program indicated some progress in the attitude of employers to their employees. It consisted in recognizing the right of employees to establish independent labor unions, creating a cross-party body that would monitor workers’ problems and try to solve them over political divisions, as well as postulating the provision of homes for workers and decent living conditions. A notable initiative was the demand to seek savings in industry in the production and distribution process, and only as a last resort by reducing employee wages (Ryan & Husslein, 1920, p. 224).

After analyzing many programs prepared both in the United States and in the United Kingdom, the American bishops who headed the NCWC Social Department considered it necessary to create a proposal that would be in line with the Catholic doctrine and could be disseminated among workers. That program, as mentioned before, was to be a kind of guide for the settlement of workers’ issues in the spirit of Christian justice stemming from the teaching contained in the Re- rum Novarum encyclical and the publications of John A. Ryan.

The program points out that the most urgent issue was the return of demobilized soldiers to work in the industry:

The first problem in the process of reconstruction is the industrial replacement of the discharged soldiers and sailors. The majority of these will undoubtedly return to their previous occupations. However, a very large number of them will either find their previous places closed to them, or will be eager to consider the possibility of more attractive employments. The most important single measure for meeting this situation that has yet been suggested is the placement of such men on farms. (Ryan & Husslein, 1920, p. 227)

An alternative solution was the possibility of employing them in large enterprises financed from the state budget, for example irrigating barren land, draining swamps and cutting down forests. Thus prepared areas were to be used for cultivation, and demobilized soldiers had the opportunity to establish new farms on the cleared land, although the establishment of farm cooperatives was preferred. Such a solution would, according to the authors of the program, reduce the cost of living due to a significant increase in the supply of food products, and thus a drop in prices. The situation was supposed to gradually return to normal (that is, the state from before World War I) and demobilized soldiers employed in agriculture should eventually return to industry. However, state-owned institu-

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10 The program was presented at the Atlantic City conference of the organization in December 1918.
tions, in particular, the Federal Labor Office, were burdened with providing practical solutions for that operation (Ryan & Husslein, 1920, p. 228).

During the war, many professions, previously performed only by men, were taken over by women. The bishops decided that everything should be done so that women would leave jobs that threatened their health and morals:

One general principle is clear: no female worker should remain in any occupation that is harmful to health or morals. Women should disappear as quickly as possible from such tasks as conducting and guarding streetcars, cleaning locomotives, and a great number of other activities for which conditions of life and their physique render them unfit. Another general principle is that the proportion of women in industry ought to be kept within the smallest practical limits. (Ryan & Husslein, 1920, p. 228)

Many jobs would be open for demobilized soldiers and women would return to lighter jobs or even quit their jobs in industry and devote themselves to their families, which the bishops particularly cared about.

Another concern of the bishops was the issue of wages and the living conditions of workers. During the war, workers’ wages increased significantly (it was, however, related to an increase in living costs and general inflation). There were justified fears that with the conversion of a large part of the American economy to civilian production, the prices of everyday products and food would fall, and with time wages would also decrease. They made an appeal to keep wages at the same level, and the minimum wage was also mentioned. The bishops adopted the concept of the minimum wage as Ryan understood it, i.e., as a fair minimum necessary to support the family. However, a minimum fair wage is not enough for the proper development of the family; it was supposed to be only a line below which the employer was not allowed to go:

In the beginning the minimum wages for male workers should suffice only for the present needs of the family, but they should be gradually raised until they are adequate to meet future needs as well. That is, they should be ultimately high enough to make possible that amount of saving which is necessary to protect the worker and his family against sickness, accidents, invalidity and old age. (Ryan & Husslein, 1920, p. 233)

It was noteworthy that the bishops took up the issue which was one of the most interesting of Leo XIII’s postulates contained in the encyclical Rerum Novarum—the participation of employees in the management of enterprises and the co-ownership of enterprises that employ them. Under American conditions, to put those demands into practice, the issue of trusts had to be resolved. This was entirely the responsibility of the state—it was only through federal legislation that the problem of monopolies could be solved. Allowing representatives of legally operating labor unions to participate in managing the enterprise would ensure a way of communicating with employers. It would also contribute to increasing the productivity and responsibility of employees for their own workplace (Ryan & Husslein,
The matter of workers’ participation in the ownership of enterprises was treated in a rather vague manner in the bishops’ program. It was mentioned that justice required that the majority should own at least some of the tools that they worked with. This would at least partly reduce the enormous disparity between the wealth of rich industrialists and millions of poor workers. At the same time, it was stressed that it was not about collective ownership but about the distribution of ownership to a larger number of people, leaving it in individual hands. Such a solution would dissipate social tensions and prevent the threat of revolution (Ryan & Husslein, 1920, p. 237–238).

To sum up their program, the bishops said that no attempt to sort out the social situation would be successful unless it was based on the foundations of social justice contained in the Christian doctrine:

Changes in our economic and political systems will have only partial and feeble efficiency if they be not reinforced by the Christian view of work and wealth. Neither the moderate reforms advocated in this paper nor any other program of betterment or reconstruction will prove reasonably effective without a reform in the spirit of both labor and capital. The laborer must come to realize that he owes his employer and society an honest day’s work in return for a fair wage, and that conditions cannot be substantially improved until he roots out the desire to get a maximum of return for a minimum of service. The capitalist must likewise get a new viewpoint. He needs to learn the long-forgotten truth that wealth is stewardship, that profitmaking is not the basic justification of business enterprise, and that there are such things as fair profits, fair interest, and fair prices. (Ryan & Husslein, 1920, p. 239)

Accepting such reasoning would change the mutual perception of workers and capitalists. Both of these groups are people and should be treated as people. Entrepreneurs have the right to profit from business but they must not forget that it cannot be done at the expense of employees, as it affects human rights and Christian principles.

The bishops’ program was very well received among American Catholics. It was a result of many years of work on social and labor issues in the United States and earned the Church in that country a great deal of support from workers. However, new threats and problems in post-war America needed to be resolved:

Deeper and more ominous is the ferment in the souls of men, that issues in agitation not simply against defects in the operation of the existing order, but also against that order itself, its framework and very foundation. In such a temper men see only the facts—the unequal distribution of wealth, power and worldly advantage—and against the facts they rebel. But they do not discern the real causes that produce those effects, and much less the adequate means by which both causes and effects can be removed. Hence, in the attempt at remedy, methods are employed which result in failure, and beget a more hopeless confusion. (Pastoral Letter…, p. 38)
The bishops recommend that the superior law of God should be recognized as the main determinant of the principles of social, political and economic life (Pastoral Letter..., p. 42–43). Submission to the Christian spirit favors mutual understanding and justice (p. 45).

Freedom should be guarded by the state that must understand what benefits are derived from supporting religion among its own citizens. A just state is a guarantee of freedom for citizens (Pastoral Letter..., p. 47). As Leo XIII had done, the American bishops stressed that the key to solving workers’ problems was to respect human dignity:

The moral value of men and the dignity of human labor are cardinal points in this whole question. Let them be the directive principles in industry, and they will go far toward preventing disputes. By treating the laborer first of all as a man, the employer will make him a better workingman; by respecting his own moral dignity as a man, the laborer will compel the respect of his employer and of the community. (Pastoral Letter..., p. 60)

The bishops’ social program received a very favorable reception also outside the Church, as commentators emphasized its holistic approach to workers’ problems and the fact that it raised all the important issues.\footnote{Among others: minimum wage, social insurance, better working conditions, and a share in corporate income. Cf. Piekoszewski, 1989, pp. 115–116.} It was recognized that the Catholic Church in the United States aspired to the role of the moral policeman of capitalism against which it defended workers (Hard, 1920, p. 25). John A. Ryan noted that Rerum Novarum could be treated as a set of proposals translated into the language of specific solutions by the Program of Social Reconstruction (Ryan, 1920, pp. 593–594). He added that those solutions were not revolutionary but simply set some standards for treating workers in a fair and moral manner (Ryan, Labor’s Program...).

Critical voices about the bishops’ program concerned the one-sidedness in considering problems, as well as a lack of an open approach to and a new perception of social issues (Swing, 1919, p. 467). There was also a lack of translation of the proposal into the actual conditions prevailing in industry at the time (Sherman, 1920, p. 5). However, what should be emphasized is the fact that many postulates were reflected in the New Deal legislation. First of all, the state took up the task of caring for workers during a crisis. A system of intervention works was organized, for which end the following institutions were established: the Civilian Conservation Corps, the Public Works Administration, and the Works Progress Administration. A minimum wage, a social security system and many other regulations regarding work and living conditions of workers were introduced (Lewicki, 2012, pp. 564, 567–570).
5. Conclusions

It is difficult to determine the direct influence of the interpretation of the *Rerum Novarum* encyclical by John A. Ryan on labor relations in the United States of America. There is no doubt, however, that he contributed to the widespread dissemination of the ideas contained in the encyclical among American Catholics. The fact that they were, to some extent, introduced into the *New Deal* legislation may testify to the influence of the Catholic Church on the government. In particular, some laws were close to the postulates contained in *Rerum Novarum* and the concepts of Ryan: the *National Industrial Recovery Act*, the *Social Security Act*, the *National Labor Relations Act*, and the *Fair Labor Standards Act*. They introduced new rules of labor relations and the organization of economic life in the United States. Some of the regulations were in line with Ryan’s proposals: the right of workers to free association, employing unemployed people in public works, introducing employee insurance against accidents and unemployment along with pensions, establishing the National Labor Relations Board to safeguard workers’ rights, as well as finally introducing a minimum wage and limiting working time.

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