Month 3: The Industrial Revolution and Exploited Labor

The growth of American industry has relied heavily on the hard work of immigrants and marginalized workers. They worked in steel mills, railroads, coal mines, and textile factories, and today, in service, agricultural, and construction sectors. This paper traces how unfair labor practices, racial discrimination, and government policies shaped immigrant and Black labor from the 19th century to the present.

It examines key historical moments, such as European immigrants' contributions, the exclusion of Chinese laborers, post-Emancipation systems, Appalachian coal dependency, and the exclusions within the union movement. Today, the effects of past injustices are prevalent in current labor policies, especially under the current administration, which has doubled down on deportation, weakened worker protections, and reduced the power of regulatory agencies. Overall, a cycle of labor exploitation, racial and ethnic discrimination, and ongoing inequality emerged. Understanding these patterns is essential to crafting more substantial labor protections in the present.

The Rise of Immigrant Labor in Northern and Midwestern Factories

By the mid-19th century, Northern and Midwestern factories relied heavily on immigrant labor from Ireland, Germany, and later Southern and Eastern Europe. They worked in steel mills, textile factories, and meatpacking plants, often for subsistence wages and under deplorable conditions. Employers exploited language barriers and legal status to suppress unionizing and keep wages low.

Initially met with intense nativism and discrimination, over time, their inclusion in the broader category of "whiteness" gave them access to postwar housing, education, and labor protections that were denied to Black and non-European immigrant workers. David Roediger's *Working Toward Whiteness* highlights how assimilation policies and federal programs, such as the GI Bill and Federal Housing Administration (FHA) home loans, facilitated their socioeconomic rise. Conversely, these benefits disproportionately excluded other racial minorities.

Today, the types of labor exploitation once faced by Irish, German, and Eastern European immigrants have shifted toward newer immigrant groups, particularly Latin, Asian, and undocumented workers, who now occupy the lowest-paid and most hazardous industrial, agricultural, and service-sector jobs. The narrative of formerly marginalized European immigrant groups "pulling themselves up" is often used to dismiss modern immigrant struggles, ignoring the critical role of state-sponsored advantages that enabled their upward mobility.

The Trump administration has rolled back protections for immigrant workers, making them more vulnerable. For example, the termination of humanitarian parole for over 500,000 migrants from countries such as Haiti, Cuba, Nicaragua, and Venezuela risks labor shortages in industries like construction and hospitality, sectors that have historically depended on immigrant labor. Simultaneously, new executive orders have increased punitive measures, signaling that exploitation is permissible, but protection is optional.

Chinese and Irish Railroad Workers: Discrimination and Exclusion

Approximately 20,000 Chinese laborers were recruited to build the western section of the transcontinental railroad. They endured brutal conditions, long hours, and extreme weather while earning 30% less than White workers. They were barred from promotions and subjected to racial violence. Irish workers, who built much of the eastern section, also faced discrimination but earned higher wages than Chinese workers, showing early racial hierarchies in labor and pay. Nevertheless, both groups were excluded from skilled trades and union membership.

The culmination of anti-Chinese sentiment was the Chinese Exclusion Act of 1882, which had adverse effects on the U.S. economy, particularly in the West. A Hoover Institution study found that this Act led to a significant decline in manufacturing output and economic development in regions that had relied on Chinese labor, as it was not easily compensated by other labor sources. Specifically, the Chinese labor supply in the U.S. was reduced by 64%, manufacturing establishments by 54–69%, and total manufacturing output by 62%.

The exclusionary logic of the 19th century has adapted. In 2025, President Trump issued Executive Order 14159, which expanded the fast-tracking of immigrant removals and heightened penalties for undocumented individuals. These measures, paired with a strategic pullback by the Equal Employment Opportunity Commission (EEOC) from protecting immigrant labor rights, have signaled a return to policies that prioritize political scapegoating over economic sense. Much like the Chinese Exclusion Act led to regional stagnation, today's anti-immigrant policies threaten to erode the labor base in key sectors and repeat the mistakes of history.

The exploitation of Black labor post-Emancipation: convict leasing, sharecropping, and exclusion in industrial jobs.

Following the abolition of slavery in 1865, the exploitation of Black labor in the United States persisted through new insidious systems. One of the most brutal post-Emancipation systems was convict leasing, a practice that emerged in the South during Reconstruction. Black Codes criminalized everyday behaviors, which led to Black men being predominantly incarcerated and leased to private companies for labor in railroads, mines, and plantations. In states like Alabama and Georgia, over 90% of leased convicts were Black.

In addition to convict leasing, sharecropping became the dominant labor arrangement across the rural South. Under this system, formerly enslaved individuals were granted land to farm in exchange for a share of the crop, often half. White landowners controlled prices, credit, and harvest terms, leaving many Black farmers trapped in debt and dependency. By 1910, over 80% of Black farmers in Mississippi were sharecroppers or tenants. The system was deliberately structured to maintain racial and economic subjugation while preserving the plantation economy without formal slavery.

During the Great Migration (1910-1970), roughly six million Black Americans fled from the rural South for better economic opportunities in the North and Midwest. Lured by wartime industrial jobs, Black migrants entered at the lowest rung of the occupational ladder, were segregated into the dirtiest, most hazardous, and least secure jobs, and typically denied promotion and equal pay compared to their White coworkers. Although the North offered an escape from the plantation, racial capitalism persisted, Black laborers were expendable, often the first fired and last hired.

Today's rollback of diversity, equity, and inclusion (DEI) programs through Executive Orders 14151 and 14173 dismantles key initiatives across the federal government and contracting sectors, directly undermining efforts to promote equitable hiring and advancement. This directly impacts Black workers in industries like construction, transportation, and logistics, where federal funding plays a crucial role in job access and oversight. By stripping DEI from federal policy, the administration threatens to push labor equity even further out of reach.

Company Towns and Labor Exploitation of White Appalachian Coal Miners

In the coal-rich regions of Appalachia, mining companies established "company towns" where they owned the housing, stores, and even the schools. Miners were often paid in "scrip," a company-issued currency only redeemable at company-owned establishments. These predominantly White workers endured long hours, cave-ins, and coal dust-induced illnesses, without compensation or access to decent medical care.

The legacy of these company towns has had enduring effects on Appalachian communities. The exploitive nature of company stores funneled workers' incomes back to the owners, obligating employees to remain with the company until the debt was cleared. This economic model left communities economically dependent on coal companies. Health-wise, the prevalence of black lung disease persisted. Despite early progress from federal regulations over half a century ago, a resurgence has been noted among younger miners exposed to harmful silica dust, which is about 20 times more toxic to the lungs than pure coal dust.

In 2025, the Trump administration reversed plans to close 34 Mine Safety and Health Administration (MSHA) offices, preserving essential mine inspections despite years of staffing cuts. However, they paused enforcement of a silica dust rule meant to protect from a severe form of black lung disease, pending a legal challenge from the mining industry. Additionally, major job cuts at MSHA and the National Institute for Occupational Safety and Health (NIOSH) eliminated key programs like the Coal Workers' Health Surveillance Program and the Part 90 job transfer option for sick miners. Ironically, they also propose to cut Medicaid funding, threatening the healthcare safety net many former miners rely on. With rural hospitals at risk of closure, many miners could lose their only access to medical care.

The Role of Unions in Fighting For (and Excluding) Minority Workers

Across industries, workers, especially immigrants and racial minorities, were exposed to hazardous environments. In textile mills, lung disease from cotton fibers was rampant, in steel plants, burns and amputations were common. Healthcare was virtually nonexistent unless offered by the company, which often tied it to productivity and loyalty rather than need.

Labor unions were central to improving wages and conditions, organizing mass strikes and negotiating collective bargaining agreements. However, many early unions, including the American Federation of Labor (AFL), explicitly excluded Black workers, immigrants, and women, reinforcing racial and gender hierarchies in the workforce. Some exceptions emerged, such as the Industrial Workers of the World (IWW), which advocated for a more inclusive labor movement, but these were rare and often met with intense political and corporate opposition.

These early exclusions have had a lasting ripple effect. Racial and immigrant labor divisions hardened, contributing to persistent wage gaps, disparities in union representation, and reduced political power for marginalized groups. The absence of immigrant and minority voices in the formative years of union policymaking limited labor protections in communities that arguably needed them most.

In 2025, President Trump's administration implemented several policies that significantly curtailed labor union rights and protections. First, it reinstated Schedule F, allowing for the reclassification of tens of thousands of federal workers as “at-will” employees, stripping them of long-standing civil protections and bypassing union contracts. Second, fired two sitting members of the National Labor Relations Board (NLRB), including labor attorney Gwynne Wilcox, which disrupted the agency’s ability to achieve a quorum and rule on labor disputes. The NLRB plays a central role in enforcing workers’ rights to organize and collectively bargain in the private sector.

Policy Recommendations

To address long-standing structural inequalities impacting immigrant and marginalized labor since the 19th century, the federal government should restore capacity at the Equal Employment Opportunity Commission (EEOC) and the Department of Labor’s Wage and Hour Division. Investigate wage theft, unsafe working conditions, and retaliatory firings, which wouldn’t require creating new laws or programs but simply enforcing what is already on the books. In 2021, the Economic Policy Institute estimated that low-wage workers lose over $15 billion each year to wage theft. Strengthening enforcement in these areas could protect vulnerable workers and align with the administration’s “pro-worker” messaging.

In response to the racial disparities in job access and treatment, the federal government could create an accountability program within the Department of Labor. This program would be framed as a cost-control and fraud-fighting tool under the broader mission of the Domestic Policy Council or the Department of Government Efficiency (DOGE). Focusing on fiscal responsibility and efficiency, this initiative puts taxpayers first by ensuring federal contractors play by the rules. Contractors who infringe on these rules would face penalties or temporarily lose access to federal bids. Similar to the first recommendation, this does not require new legislation.

Third, the administration continues to support pro-business tools like Opportunity Zones and Economic Development Zones. To qualify for these benefits, businesses should be required to pay wages on time, comply with workplace safety regulations, and offer basic healthcare in high-risk jobs. As the Aspen Institute Economic Opportunities Program suggests, this approach ensures public investment benefits businesses and workers by rewarding companies that treat their workers fairly.

Lastly, use appropriations riders, which are small provisions buried in larger must-pass budget bills, to reform Schedule F reclassification, protecting federal and contract workers. Congress can require agencies to honor existing collective bargaining agreements, even for at-will employees. These riders often pass through budget negotiations when broader reforms can't. This subtle tactic allows policymakers to reinforce union rights without requiring legislative reform.

Conclusion

The exploitation of marginalized labor has been a disturbing characteristic of the American industrial system, evolving in form but not in function. From Irish and Chinese railroad workers to Black sharecroppers, Appalachian miners, and today’s Latin, Asian, and undocumented workers, history continues to repeat itself, only the targeted groups and tactics have changed. Structural inequality, once justified by race or nationality, is now reinforced through executive orders, deregulation, and weakened oversight. Unless lawmakers move beyond rhetoric and enforce existing labor laws, link economic incentives to fair labor standards, and protect collective bargaining rights, the U.S. will continue to profit from, rather than safeguard, its most vulnerable workers.