The American Federation of Labor supplanted the Knights of Labor, and it developed a quite different philosophy. Rather than trying to abolish the wage-labor system, it sought to use strikes to gain higher wages, lower working hours, and better working conditions for its members. Unlike the Knights of Labor, the AFL organized only skilled workers into unions defined by particular trades. The AFL also emphasized relatively high dues in order to create a treasury large enough to sustain the members during a prolonged strike. Under the leadership of Samuel Gompers (1850–1924), a London-born cigar maker, the AFL became not only a powerful force serving the interests of its members but also a conservative defender of capitalism against the appeal of Socialism and Communism. In 1883 Gompers testified before a Congressional committee about his organization.

. . . There is nothing in the labor movement that employers who have had unorganized workers dread so much as organization; but organization alone will not do much unless the organization provides itself with a good fund, so that the operatives may be in a good position, in the event of a struggle with their employers, to hold out. . . .

Modern industry evolves these organizations out of the existing conditions where there are two classes in society, one incessantly striving to obtain the labor of the other class for as little as possible, and to obtain the largest amount or number of hours of labor; and the members of the other class, being as individuals utterly helpless in a contest with their employers, naturally resort to combinations to improve their condition, and, in fact, they are forced by the conditions which surround them to organize for self-protection. Hence trades unions. Trade unions are not barbarous, nor are they the outgrowth of barbarism. On the contrary they are only possible where civilization exists. Trade unions cannot exist in China; they cannot exist in Russia; and in all those semi-barbarous countries they can hardly exist, if they can exist at all. But they have been formed successfully in this country, in Germany, in England, and they are gradually gaining strength in France. . . .

Wherever trades unions have organized and are most firmly organized, there are the rights of the people most respected. A people may be educated, but to me it appears that the greatest amount of intelligence exists in that country or that state where the people are best able to defend their rights, and their liberties as against those who are desirous of undermining them. Trades unions are organizations that instill into men a higher motive-power and give them a higher goal to look to. . . .

The trades unions are by no means an outgrowth of socialistic or communistic ideas or principles, but the socialistic and communistic notions are evolved from the trades unions' movements. As to the question of the principles of communism or socialism prevailing in trades unions, there are a number of men who connect themselves as workingmen with the trades unions who may have socialistic convictions, yet who never gave them currency. . . . On the other hand, there are men—not so numerous now as they have been in the past—who are endeavoring to conquer the trades-union movement and subordinate it to those doctrines, and in
a measure, in a few such organizations that condition of things exists, but by no means does it exist in the largest, most powerful, and best organized trades unions. There the view of which I spoke just now, the desire to improve the condition of the workingmen by and through the efforts of the trades union, is fully lived up to. . . . I believe that the existence of the trades-union movement, more especially where the unionists are better organized, has evoked a spirit and a demand for reform, but has held in check the more radical elements in society.

[From U.S. Senate, Testimony of Samuel Gompers, August 1883, Report of the Committee of the Senate upon the Relations between Labor and Capital (Washington, D.C., 1885), 1:365-70.]