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In-Plant Strategies & "The Social Contract"

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In-Plant Strategies & "The Social Contract"

Abstract

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Both Tom Balanoff (B), in "The Cement Workers' Experience" and Jack Metzgar (M), in "Running the Plant Backwards," assume that a return to the status quo—or the pre-Reagan period—of collective bargaining is desirable. That might be true, but neither B nor M discusses the content of the status quo nor takes it into account when assessing in-plant strategies.

Keywords

strategy, in-plant strategies

Follow-Up:

New Tactics for Labor

In-Plant Strategies & "The Social Contract"

■ *Steven Rosswurm*

Dear Labor Research Review,

Your recent discussion of "In-Plant Strategies" (LRR 7, Fall 1985) is of vital importance for the labor movement. I would like to raise several issues for discussion.

Both Tom Balanoff (B), in "The Cement Workers' Experience," and Jack Metzgar (M), in "Running the Plant Backwards," assume that a return to the status quo—or the pre-Reagan period—of collective bargaining is desirable. That might be true, but neither B nor M discusses the content of the status quo nor takes it into account when assessing in-plant strategies.

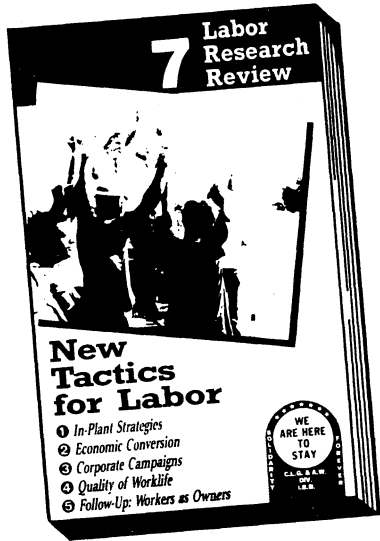
A restoration of the status quo means a return to the pattern of collective bargaining that the "social contract" ushered in. The "social contract" (used to describe the relationship between trade unions and capital that developed from 1947/1948) consisted of quid-pro-quos: Organized labor received continually increasing wages and benefits and a recognition of its right to bargain. In exchange, capital received a recognition of its right to manage, a commitment to provide something approaching uninterrupted production, and the expulsion of dissidents (mainly, but certainly not entirely, Communists or those who would work with Communists) from its ranks.

The meaning of the social contract, once considered the bulwark of "sensible" American labor relations, is now contested terrain. I will focus here on those aspects germane to in-plant strategies.

One of capital's key demands in the postwar period was its

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recognition of the right to run the shopfloor. This right to manage, eroded during the CIO organizing period, increasingly came under fire during World War II and immediately after. Using a wide variety of weapons—including the infamous Taft-Hartley Act, an ideological offensive, and the trade union leadership's ambivalence about shopfloor activity—capital extracted from organized labor a recognition of its right to run its "own" affairs.



A necessary corollary to capital's right to manage was the trade union leadership's increased policing of its members' activity on the shopfloor. The leadership disciplined the membership when it acted on its own in the workplace—when it disrupted orderly production—because this activity not only violated contract provisions, but also made it difficult to negotiate centralized contracts. Trade unions increasingly looked to the "workplace rule of law" to defend their membership's rights. An increasingly legalistic and formalistic grievance procedure became the avenue of defense.

Collective bargaining in the automobile industry provides points of illustration. Forced for a variety of reasons to retreat from the anti-capitalist goals of the 1946 GM strike, Walter Reuther took the lead in creating the social contract. In 1948 the UAW accepted "two pillars of the postwar social order": the COLA and an "annual improvement factor" keyed to GM's increased productivity. In 1950, GM offered even more; Reuther accepted. *Fortune* called the 1950 contract the "Treaty of Detroit" because even though GM may have paid a "billion for peace. . . it got a bargain. General Motors has regained control over one of the crucial management functions. . . long range scheduling of production, model changes, and tool and plant investment."

Reuther's bargaining produced considerable material gains, but at a price: Those who fought against speed-ups and layoffs at the shopfloor level were disciplined. Those who did not accept the parameters of the social contract were isolated and silenced (if

necessary). The UAW International Executive Board (IEB), for example, placed an administrator over DeSoto Local 227 in 1951 because unauthorized work stoppages had closed the plant for 80 working days; 227's leadership had refused to discipline the leaders of those walkouts. In 1952 the IEB placed an administratorship over River Rouge 600. Ostensibly prompted by "Communist domination," this step actually was taken to force acceptance of the social contract and Reuther's commitment to it. As an observer noted about the 1950 GM contract: "This kind of collective bargaining calls for intelligent trading rather than table-pounding, for diplomacy rather than belligerency, and for internal union discipline rather than grass roots rank-and-file activity."

"Grass roots rank-and-file activity"—there is the rub. From the available evidence, one of the most profound impacts of the social contract was the delegitimization of shopfloor activity. Of course, it never went away entirely; but it no longer was "acceptable" trade union behavior nor a primary working-class weapon.

Another result of the social contract appears to have been the development of the membership's alienation from their locals. By the 1960s, according to two membership surveys, two-thirds of all UAW members overwhelmingly "held a favorable impression" of the International, but only 26% in 1961 and 16% in 1967 thought their committeeman was a "stand up guy who protects the workers."

Given this perspective, it is *not* surprising that the Introduction to LRR 7 notes, "in-plant strategies require the virtual rebuilding of local unions from the ground up." Nor is it surprising that B argues that one of the problems with an in-plant strategy is "convincing workers that they do have power in the plant." It is not surprising that B suggests that "in-plant strategies involve terrain unfamiliar to most unionists."

What *is* surprising, however, given LRR's goals, is that neither B nor M suggests—even tentatively—the relationship between the social contract and the need to re-activate the membership. It is surprising, moreover, that neither draws any connection between the social contract and the current problems facing the labor movement. Instead B and M assume that the objective of an in-plant strategy ought to be to re-institute the workplace rule of law and, in M's words, "orderly procedures for processing grievances."

The issue is *not* the contract per se, but rather how it is enforced. The issue is not the grievance procedure, but rather how the local polices it. As a Buffalo union representative said in 1961: "When the men settled things on the shopfloor, it was something they

did themselves. They directly participated in determining their working conditions. When things are settled legalistically, through the grievance procedure, it's something foreign. They don't see it." Prior to the social contract, many unions worked with a contract and a grievance system *and* had an active shopfloor presence.

The supreme irony of both pieces is that B and M advocate a strategy that requires activation of union members—only to return them to the workplace rule of law, to a new state of passivity upon victory.

This is not a defense of militance for the sake of militance. It is not a veiled Wobbly attack on contracts. It is rather an attempt to open up a debate on the relationship between activity on the shopfloor and an energized membership with wider union and working-class goals. It is, furthermore, an implicit effort to suggest the relevance of history. One of the central weapons in our struggle to reclaim America must be our history. Without a living presence of the lessons derived from years of working-class struggle for dignity and justice, we are disarmed. ■

Balanoff & Metzgar Reply:

We appreciate Steve Rossworm's thoughtful historical essay in reply to our articles on in-plant strategies in LRR #7, and we agree about the relevance of post-war labor history for understanding the context of current problems.

But neither of us in any way implied that in-plant strategies have as their goal "only to return . . . to the workplace rule of law, to a new state of passivity." We *do* think, however, that it is vital to preserve the system of legal rights built up (at a substantial price, as Steve says) by decades of union struggle (including on the shopfloor).

The "social contract" which Rossworm finds so onerous is now under attack. Labor did not look for this fight, but it cannot avoid it. Right now, labor does not have a unified offensive strategy for combatting its enemies, but what our articles suggest is that whatever defensive efforts unions can mount must be based on "activating the membership." While basically defensive measures aimed at restoring a previous *status quo*, in-plant strategies provide concrete nuts-and-bolts ways for unleashing *and organizing* the ingenuity, creativity and fighting spirit of union workers.

If this is done effectively, through in-plant strategies and other

If this is done effectively, through in-plant strategies and other "new tactics" as well as some old ones, there is no reason why unions should *stop* at merely preserving the previous social contract. Right now labor has its back to the wall, but we genuinely believe that management and its bought-and-paid-for politicians are going to regret having put us there. In-plant strategies and other tactics which cultivate membership activism can build toward a renewal of the labor movement. There is no "original sin" that restricts us from doing that. ■

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