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A Model in Massachusetts? A Follow-Up

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A Model in Massachusetts? A Follow-Up

Abstract
[Excerpt] Mike Schippani's discussion of the "social compact" alternative to mandatory plant closing legislation (in "Massachusetts & Mature Industries," LRR 9, Fall 1986) seriously understates the price that workers have paid for this "compromise between business and labor" crafted by the neo-liberal administration of Governor Michael Dukakis and its Commission on the Future of Mature Industries.

Keywords
Massachusetts, social compact, Commission on the Future of Mature Industries

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Follow-Up
Labor Tackles the Local Economy

A Model in Massachusetts?

■ *Steve Early & Mike Schippani*

Dear Labor Research Review:

Mike Schippani's discussion of the "social compact" alternative to mandatory plant closing legislation (in "Massachusetts & Mature Industries," LRR 9, Fall 1986) seriously understates the price that workers have paid for this "compromise between business and labor" crafted by the neo-liberal administration of Governor Michael Dukakis and its Commission on the Future of Mature Industries.

Mike himself notes in passing that "there remains some distance between the original conception of the Commission proposals [to induce employers to provide advance notice of plant closings voluntarily] and the actual implementation." But he gives LRR readers no other indication of how completely unsuccessful the voluntary compliance approach has been.

He writes, for example, that "the labor vision of implementing the Compact took as its marker the federal Equal Employment Opportunity (EEO) program." He claims that, "like EEO, the Compact seeks signed commitments" by employers to meet minimum advance notice, severance pay and health insurance coverage standards so that "each and every employer can be judged by virtue of whether or not they agree to those standards."

This is a very flawed—but revealing—analogy. Non-discrimination against workers on the basis of race, sex or national origin—the objective of EEO legislation—is *required by law,* not left to the whim or good intentions of employers. Anyone familiar with employment discrimination—particularly in its most recently recognized and virulent form, sexual harassment—can imagine how powerless workers would be to fight this problem if the federal government relied on voluntary compliance rather than mandatory legal requirements, formal enforcement mechanisms, and penalties for violations.

The failures of the Massachusetts Mature Industries Act in the area of plant closings have been obvious and widely noted in the local press for sometime: it's all carrot and no stick. In October 1984, at the time the Act went into effect, the *Boston Business Journal* headlined its analysis as follows: "State Agencies Unable to Enforce Provisions of Plant Closing Law."

This blunt but accurate assessment has been echoed more recently by *The Boston Globe.* Following the shutdown of the largest garment plant in Boston—with one day's notice to workers—*The Globe* editorialized that this event "highlights the inadequacy of the state's plant closing law." Describing the Dukakis Administration's original legislative compromise on plant closings as "capitulation to the business community," *The Globe* contended "that the law fails to protect those most in need—the laid-off workers." The newspaper concluded: "It is time to review the plant-closing law and grant workers at least as much consideration as is extended to corporate stockholders."

Boston Mayor Ray Flynn has also expressed similar views in the wake of a widely publicized controversy last year about the closing of one of the city's last meatpacking plants.

If the state's leading newspaper and the mayor of its largest city are speaking out against the voluntary compliance "social compact" approach in this fashion, why is it that "the caucus of labor representatives, state labor officials, academicians, and friends from community groups" who initially supported it are so unwilling to challenge Governor Dukakis on the issue now? Why aren't they demanding that his administration propose new legislation incorporating the plant closing movement's original objectives?

The answer has a lot to do with Dukakis' presidential ambitions. Those who have worked for and supported his mediation of labor-management disputes over issues like plant-closing and right-to-know legislation have no wish to expose the embarrassing shortcomings of the "compromises" that have resulted at a time when the "Massachusetts model" of neo-liberal power brokering is the centerpiece of the governor's undeclared presidential campaign.

Union activists and friends of labor who read Mike Schippani's LRR piece and may have been impressed with the "very modest" economic development planning initiatives it describes would do well to scrutinize the costs and benefits of the "social compact" for labor a lot more closely and objectively than Mike does.

Among the real negative effects of declaring the Mature Industries Act to be a "victory" was the derailing and demobilization of the militant, grass-roots community-labor plant closing movement that is still very much needed in Massachusetts today.

Steve Early
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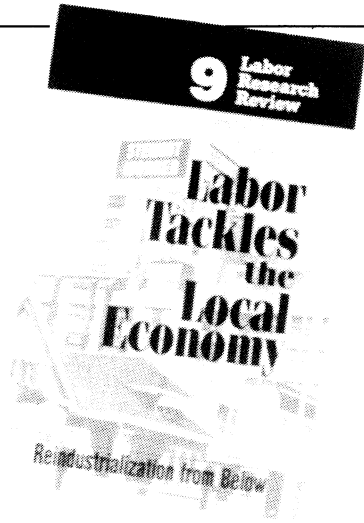
Mike Schippani Replies:



Actually, Steve, even strong mandatory notice legislation isn't good enough to arrest the flight of corporate capital and the destruction of good industrial jobs. Much more is needed, as the experience of much of Europe shows. LRR 9 consisted of a variety of articles which show the same thing. While I agree with much of the substance of your remarks on the need for mandatory notification, the purpose of the article was not to discuss the merits of a voluntary or a mandatory system. On that issue, it only informed readers what transpired in Massachusetts in the last couple of years.

But that is not the point. The article is about labor and community activists in Massachusetts who are attempting to develop models of grass-roots democratic participation in industrial planning. As I said in the article, the activity that is taking place in various regions of the state began before the law was passed and will no doubt continue if the law is destroyed, as is currently threatened.

With the federal government abdicating many of its social and economic responsibilities, the 1980s have become a period of enormous state experimentation with new economic policies and programs. The important questions are: What is labor's position on reindustrialization and what role does labor play in this period of change? Are we satisfied with old proposals for tripartite groups with bloated bureaucracies? How do we really maintain and generate more good-paying, skilled industrial jobs in safe workplaces where the power of labor and capital is more equal? How should labor aim for greater social control over investment? What international work is necessary to help establish fair trade, socially useful production, and an adequate income level so that all workers and their families can live decently and securely? Can we work to support and solidify the rich variety of local experiments taking place with labor at the center of managing economic change?

Let's not get diverted from the central issues facing labor at this time.

Mike Schippani
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State of Massachusetts