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# Broadening The Arena for Participation & Control

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# Broadening The Arena for Participation & Control

## **Abstract**

[Excerpt] Andy Banks and Jack Metzgar have made a critically important contribution to untangling the concepts of participation and cooperation, in making the case for labor to be aggressive in areas historically reserved for management and to do so in a way that builds the organizing model of unionism. The concepts of "participation and cooperation" have been brought to the bargaining table in a way similar to ESOPs (Employee Stock Ownership Plans). Rather than recoil and withdraw from the discussion, the authors provide us with an approach that can effectively counter frequently narrow and self-serving management objectives with a program that furthers labor's interests.

## **Keywords**

worker participation programs, policy, strategy

# Broadening The Arena for Participation & Control

■ *Dan Swinney*

Andy Banks and Jack Metzgar have made a critically important contribution to untangling the concepts of participation and cooperation, in making the case for labor to be aggressive in areas historically reserved for management and to do so in a way that builds the organizing model of unionism. The concepts of "participation and cooperation" have been brought to the bargaining table in a way similar to ESOPs (Employee Stock Ownership Plans). Rather than recoil and withdraw from the discussion, the authors provide us with an approach that can effectively counter frequently narrow and self-serving management objectives with a program that furthers labor's interests.

I don't find significant difference with their argument but instead choose to use it as a springboard to address a fundamentally linked but broader range of issues that must be addressed by labor leadership. This broader range of issues involves the dynamic and dialectical relationship of organized labor with the broader society and its implications for the organizing strategy put forward by the authors.

### **The Objective Situation**

This general discussion is part of the debate within labor and the social movement that has recognized and is adjusting to funda-

mental shifts in the economy in the last 10 years. The flow and ebb cycles of the expanding post-World War II economy have been replaced by a long-term period of decline, precipitated by an increasingly competitive international economy. From labor's position in the front row of the American economy, we have become well versed in the new destructiveness of traditional business practices, values, and priorities. We have seen the "hollow corporation," mismanagement, the costs of seeking the highest return in the shortest possible time, and the essential economic anarchy that has prevailed in our workplaces and communities. Corporate demands for concessions in wages and benefits, determined and often successful efforts to break our unions, and the willingness to throw away companies, industrial sectors and entire communities have led to a dramatic shift in labor's objectives and an expanded arsenal of tactics.

In this context, we have seen some dramatic and successful local labor battles that have changed our perspective about what is necessarily part of our strategy and what can succeed through the energizing of our membership and our communities. We have witnessed the Morse Cutting Tool campaign by the UE in New Bedford, Massachusetts; the Eastern Airlines campaign waged by IAM District 100 since 1984; the buy-out of Seymour Specialty Wire in Connecticut by a UAW local; the SEIU nurses' campaign for dignity at Red Cross in Los Angeles, and others.

In these campaigns, we have started to recognize key issues and linkages. First, the problems and conflicts within the workplace mirror the sharpening problems in the broader society. Issues of management, productivity, efficiency, social cost and benefit, control, investment and democracy are of concern to our members as well as to the broader public. Organized labor is in a strategic position, being on the front line in this battle, to provide an orientation, methodology and organization to the broader movement in society. Despite some obvious differences, there are some important lessons and inspiration that we can gain from recent events in Poland, where workers extended the struggle for wages, working conditions and democracy to the overall crisis in society and emerged as the most coherent, effective leading center. By understanding and utilizing these relationships effectively, labor leaders can gain greater strength and energy from their members as well as gain community support and influence. And the opposite is true—to not understand and utilize these relationships can lead to a loss of strength and defeat on the shopfloor.

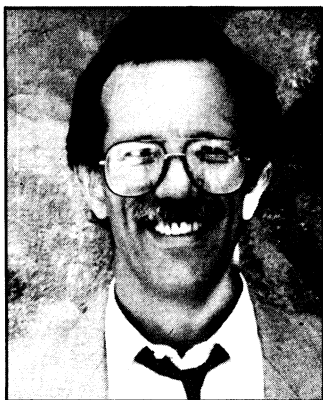
Banks and Metzgar give meticulous attention to the issues of participation and cooperation on the shopfloor in organized locals,

but do not address the linkages and implications in a community, industry or economy-wide context. They do not address the essential connections and requirements of building the broader coalition that is not only possible, but required in any organizing strategy for the 1990s. The lack of attention to these details can compromise the effectiveness and dynamism of the strategy they advocate.

On page 3, they provide the broader framework for their position in a way which hints the damage a narrow perspective on these issues could generate. They write:

"The workplace is labor's base and, therefore, the key to the labor movement meeting its many challenges in the 1990s—among them, building stronger worker-to-worker and union-to-union solidarity; being broadly *perceived* as a champion of the public's interest; and attracting large numbers of new workers into its fold. American society cannot be made better unless there is a thriving, more powerful labor movement. And *before* labor can help create this better society, it must *first* take care of its crumbling base." (My emphasis.)

Had I been the author, I would have checked any ambiguity that might arise by replacing "perceived" with "recognized" and writing the last sentence to read: "And through creating this better society, labor will take care of its crumbling base."



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## Broader Requirements of Organizing Strategy

What has emerged in the battles against deindustrialization and other corporate offensives in the 1980s, are refined understandings of the quality and scope of corporate research in relation to a *social cost/benefit analysis*. Labor-oriented corporate research, as described by Banks and Metzgar, not only documents profits and available dollars, but evaluates markets, efficiency, and documents mismanagement and narrow corporate strategies that threaten capacity and community. Social cost/benefit analysis documents the linkages between the closing of a company and/or the loss of industrial jobs with the loss of jobs in the service sector, with declines in retail and tax revenues for cash-starved cities, with increases in welfare costs, with dramatic increases in child abuse, divorce, alcoholism, and other social concerns.

This combined corporate and social analysis constitutes an independent labor analysis that is a prerequisite for a successful defense or offense on the shopfloor or in the community. It is this analysis that provides the material basis to form a broad community coalition against a particular corporate act or strategy. It is a way of showing that labor is not fighting as a special interest whose agenda is different from the community, but affirming that our interests are public interests and deserving of support. By using this approach, union members become community heroes on a high moral ground. They become motivated like Joe Imperatori at Eastern. They create a more difficult environment for a corporate opponent that has historically depended on anonymity and public ignorance. This point is correctly stressed by Banks and Metzgar.

But it is important to define the requirements of this analysis in its breadth, depth and integrity. The authors correctly argue for our commitment to increase productivity, improve quality, and cut costs in the shop. To act in the public's interest requires not reducing this analysis to just the individual firm, but extending it to the industry sector as a whole and to the rest of the economy. We need to acknowledge the limits of focusing on only the particular company or department, knowing that at certain times these interests can be in conflict with legitimate broader interests of labor and the public. In these situations, our approach can't be timid, and we can't sacrifice those we represent. Creative bargaining, combined with militancy and the ability to mobilize, will find adequate *quid pro quos* in compensation, control and ownership, or other solutions that offer equal value. Those solutions may also emerge from a context that is broader than the particular shop. The refusal

to recognize broader interests and define our relationship to them can result in a loss of a particular campaign. The ability to see the broader linkages can lead to victory in the short run and surprising strength on other issues in the long run.

This principle has been developed in the framework of industry-wide bargaining strategies and has even greater potential in current conditions for strengthening labor, not weakening it. In the same sense we must begin to more sharply define "community interests," knowing that we need to address not only the issues of preserving jobs, but those of racial and sexual discrimination and legitimate demands for affirmative action.

We need to define our campaigns in light of moral issues as a means of building our ties with the religious community. We need to find ways to define the national and international implications when possible. In today's international economy, these international linkages are common sense and can lead to important leverage—as they did in the campaign around the closing of Trico in Buffalo that led to links with Mexican labor, or in the campaign against the closing of 3M by the OCAW local in Freehold, New Jersey, that led to links with black South African workers.

This doesn't mean that we look at these issues and linkages as a social shopping list that needs to be tagged on to each campaign. Such a mechanical approach will weaken rather than assist us. But labor leadership needs to define these issues and their connection with creativity. In this way, we begin to give specific definition to the broader public interests we represent and, in doing so, define potential coalitions in very specific terms, strengthening and extending labor's interests and values beyond the plant gate.

The efforts of the Midwest Center for Labor Research (MCLR) to create an "Early Warning Network Against Plant Closings" in Chicago has generated information on companies that are in danger of closing due to aging owners with no successor. Such owners have children who don't want to leave the suburbs and go into the "ghetto" to work or who otherwise have no desire to run a small manufacturing company, even though it is profitable. These frequently small companies simply need a new owner, if they are to survive and provide jobs and stability in Chicago's industrial communities. As MCLR studied ownership issues, we also became aware of the exclusion of African-Americans and Latinos from ownership of manufacturing companies. In 1982, only 73 of some 14,000 manufacturing companies in the Chicago area were owned by African-Americans or Latinos!

In response to these findings, MCLR has formed a subsidiary

that matches these companies at risk with African-American and Latino entrepreneurs who are committed to keeping the jobs in Chicago and treating labor with respect. By serving as broker in these situations, we maximize the leverage that labor can have in preserving the company. We link labor's interests in a significant way with the interests of the minority community and lay the basis for a broad, popular alliance—one that will not only save jobs but will enhance the prestige and influence of labor, which in turn will strengthen its ability to organize the unorganized and win its battles on the shopfloor. Of course, these efforts are in their infancy, and many difficulties lie ahead, but the potential is obvious and exciting.

### **Participation as a Step Toward Control**

Banks and Metzgar stress the organizing potential of the issue of participation. Of at least equal importance is the role of participation as a step towards gaining control in the company. And as with the issues of productivity, quality and cost reduction, participation and control fit dynamically within the agenda of the broader social movement.

In the 50s and 60s, labor was content to know that if there were layoffs, they were temporary. If the owner got in trouble, someone else would buy the company and life would continue. If you lost your job one day, you could often get a job the next day. Industrial communities were stable and predictable. Management and control issues didn't seem to be worth the bother. What mattered was improving our share of the pie. "Redistribution of wealth" demands dominated the labor and community movements. In the 70s and 80s, company after company has been dismantled by larger companies or individual owners who have changed their business strategies. This has led to the "dismantling" of entire communities. Today issues of management and control have become survival issues in the workplace and in the community.

"Participation" is a prerequisite for knowing what is essential in managing and controlling a company, whether it is through ownership or exercising bargaining power. Guided by a comprehensive understanding of the company or community, active participation trains workers and community members, union and community leaders on the key requirements of management and control. It gives each confidence and the capacity to provide effective leadership in the void of trusted, public leadership that is increasingly obvious in our society. The workplace is the best school for training and gaining credentials that qualify leaders and



organizations for greater influence in our society and for more ambitious projects.

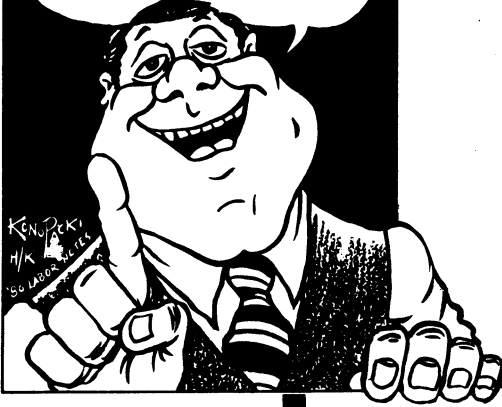
Banks' and Metzgar's approach to entering the minefield of participation and involvement in management issues is not only a blueprint for workplace organizing but for operating within the broader community. Recognizing this critical linkage in a straightforward way doesn't dilute our organizing on the shopfloor. It strengthens the determination of our organizers, giving them greater strength in winning immediate objectives and opening up the potential to expand their influence beyond the traditional boundaries of labor organization.

### **Conclusion**

Increasingly the issues of broader public control, recognition of social interests in arenas traditionally controlled exclusively by business, and public management are emerging in local communities throughout the country. This has emerged with the Steel Valley Authority in Pittsburgh, tenant management of public housing in St. Louis and Chicago, a new St. Paul, Minnesota, ordinance governing use of public development dollars, and citizen-supported labor campaigns to buy companies in Connecticut and West Virginia. These are some of the campaigns that will lead to a broad national fight for public control and public management in the public interest.

Banks and Metzgar provide the key elements of an approach that has a profoundly positive influence on our organizing strategies in organized shops. It has even greater impact when applied to a broader arena. It contributes to the essential orientation that can place the labor movement squarely in the broader struggle against the disinvestment and mismanagement of our society and in the struggle to extend democracy. ■

WHEN WE GUT YOUR JOB CLASSIFICATIONS AND WORK RULES, YOU'LL LOSE SHOP-FLOOR INFLUENCE AND SENIORITY RIGHTS. YOU'LL ALSO SUFFER FROM SPEED-UP AND FAVORITISM. BUT REST ASSURED, YOU'LL BE TREATED WITH DIGNITY!



AS A MATTER OF FACT, I'VE GOT A BOX OF IT RIGHT HERE!

