Teamster Democracy: A Moment of Possibility

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Abstract
[Excerpt] The association between the union and the underworld, a relationship that young Walter Lippmann simply could not envision, did not stem from an insidious criminal power that somehow proved impervious to FBI surveillance. Rather, criminal involvement in the trucking industry may actually be the most lasting contribution to modern America made by those who, in the name of fundamentalism, prohibition and creationism, fought that modernity so insistently. During prohibition, organized crime's interest in the trucking industry grew exponentially as urban criminal groups developed enormous fleets of trucks to transport illegal liquor. Following repeal in 1933, the industry remained attractive to the underworld, both as a way to invest funds from other illegal enterprises and as a potential new "milk cow" that might replace the windfall profits accrued during the 1920s. The perishable nature of much of the freight carried by city drivers; the decentralized and competitive nature of the industry, where even threats to disrupt service could have customers flocking to competitors; and the rather astounding growth of the IBT during the 1930s all contributed to this condition.

Keywords
International Brotherhood of Teamsters, IBT, labor unions, labor movement, organized crime

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Teamster Democracy: A Moment of Possibility

Nick Salvatore

In 1914, when organized labor represented only slightly less a percentage of the work force than it does now, young Walter Lippmann wrote a stirring defense of unions and their role in American life. Fresh from service as secretary to the Socialist mayor of Schenectady, New York, Lippmann argued, in “A Key to the Labor Movement,” that organized labor’s very accumulation of the power needed to improve wages and work conditions fulfilled a far broader mission as well. Without powerful unions, working people would be doomed to “a degrading servitude.” Further, “without unions industrial democracy is unthinkable. Without industrial democracy in industry,” Lippmann continued, “... where it counts most, there is no such thing as democracy in America.” The creation of powerful democratic unions would not only give working people participation in industrial decision-making but would also provide workers with “the discipline needed for self-government in both the industrial and political spheres. This impulse for “industrial democracy” which unions embodied did not elevate labor beyond searching criticism; but critics and supporters alike must comprehend that basic impulse if they would grasp labor’s essential importance.

No one ever has accused the International Brotherhood of Teamsters (IBT) of such lofty democratic idealism. From its beginning in the decade before Lippmann’s essay, the IBT has coupled strong leadership with conservative politics and frequently close relations with employers. A concern with union democracy never disturbed Daniel Tobin, the longtime (1907-1952) autocratic president of the IBT. Tobin did not seek to centralize union power in the national office because he favored workers’ control of their union. Rather, he preferred, and the decentralized structure of union power demanded, that he rule in alliance with strong regional leaders; his attacks on truckers involved with the 1934 strikes in both Minneapolis and San Francisco suggest how quickly the independent actions of members exhausted Tobin’s own tolerance for union democracy. These tendencies intensified under the presidential regimes of Dave Beck (1952-1957) and Jimmy Hoffa (1957-1967). Perhaps because they had been powerful regional leaders who both benefitted and chafed under Tobin’s long stewardship, Beck and then Hoffa sought to centralize power in the hands

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of the president. In ironic fashion they utilized the idea of a regional council of teamsters, first developed by Farrell Dobbs and the left leadership of Minneapolis local 574 to build class consciousness, in order to centralize power in their own hands. Beck's city-wide contracts on the west coast were innovative in the late 1940s; while Hoffa dramatically expanded that idea when he gained uniform regional contracts the following decade. In each instance, moreover, the long struggle to wrest control from previously independent locals and to force employers to accept the new arrangement belied any rhetorical commitment to democratic principles on the part of either Teamster leader.

During the 1950s the IBT became associated, in the public mind, with organized crime. Beck, Hoffa and a host of other IBT officials faced criminal charges which resulted in Beck's removal as union president. Most prominent in the creation of this public image were the famed McClellan Committee hearings which had, as their public centerpiece, the explosive confrontation between Hoffa and the Committee's young investigator, Robert F. Kennedy. This connection with the "wise guys" (immortalized in Sylvester Stallone's incredibly inept performance in the 1976 movie, "F.I.S.T.") has dominated most discussions of the IBT since. It is not that the connections are fanciful or simply the product of a Kennedy vendetta, as Jimmy Hoffa suggested. As anyone who has been a teamster in certain locals, or a small employer in certain industries, can attest, those connections are quite real and substantial. Rather, the emphasis on the underworld, with its forbidden yet tantalizing associations in the American imagination, often obscured the actual process by which the union and organized crime joined their operations and thwarted an examination of actual union members and their conditions, aspirations and activities.

The association between the union and the underworld, a relationship that young Walter Lippmann simply could not envision, did not stem from an insidious criminal power that somehow proved impervious to FBI surveillance. Rather, criminal involvement in the trucking industry may actually be the most lasting contribution to modern America made by those who, in the name of fundamentalism, prohibition and creationism, fought that modernity so insistently. During prohibition, organized crime's interest in the trucking industry grew exponentially as urban criminal groups developed enormous fleets of trucks to transport illegal liquor. Following repeal in 1933, the industry remained attractive to the underworld, both as a way to invest funds from other illegal enterprises and as a potential new "milk cow" that might replace the windfall profits accrued during the 1920s. The perishable nature of much of the freight carried by city drivers; the decentralized and competitive nature of the industry, where even threats to disrupt service could have customers flocking to competitors; and the rather astounding growth of the IBT during the 1930s all contributed to this condition.

Equally important were the nature of the union's leadership and the specifics of the member's work conditions. Despite numerous local exceptions, many national and regional leaders of the IBT generally understood their union positions less as a calling than as a potentially lucrative business proposition.
Investments with employers were common and some far-sighted leaders (Hoffa, for example) actually sought to dominate the industry itself. Employers, for their part, were often willing to cooperate, especially if their relationship with Teamster officials gave them an edge on their competitors. Throughout the 1930s and 1940s, then, the IBT remained institutionally largely unaffected by the labor insurgence around it; and individual members or the occasional local that was so affected were usually dealt with quickly and harshly. The organization of the over-the-road drivers and of workers not in the trucking industry (both of which had long been opposed by Tobin) occurred not due to a new-found commitment to industrial unionism but rather from the quite concrete desire of the emerging leadership under Tobin to bring in more dues and to control larger aspects of an expanding industry.

The major loss in this emphasis on criminal subversion, however, is the absence of the actual rank and file member from discussion. In many popular books on the union, these members are implicitly portrayed as either unconcerned or complicit themselves with criminal elements. But as Paul Jacobs wrote more than thirty years ago, being an over-the-road driver made it quite difficult to organize an effective opposition to corrupt leadership. Beyond the beatings, and threats of worse, for oppositional members and their families was the peculiar nature of the drivers' work conditions: "These are men physically isolated from each other at work," Jacobs wrote, "frequently away when union meetings are held, dependent upon business agents rather than fellow members for the protection of their rights, working in an industry to which respectability has been late in coming and where the police, on highways and in towns, are rarely thought of as friends."*4

It is not that truckers were either stupid or gangsters themselves, as the silence about them in such popular books as Steven Brill's The Teamsters seems to imply;5 but rather that after as many as seventy hours a week on the road, doctoring log books, fighting dispatchers and avoiding serious accident, there was often little energy left for union matters. As contracts improved, especially under Hoffa, and as he brilliantly turned his public notoriety and criminal image into a stirring class defense of all workers at the mercy of the rich and the powerful, most within the IBT accepted what they could get and viscerally gravitated toward "Jimmy's" defense. Even as he undermined any vestiges of democracy within the IBT, amassing to himself even the function of the shop steward,6 Hoffa became for many rank and file members an idealized image of themselves, a figure upon whom they might safely project their own felt weakness. In this manner the rhetoric of class struggle masterfully obscured a paternalistic, even semi-feudal relationship. It was a stunning, and destructive, performance.

Because it ignores much of this complex history, James Neff's book, Mobbed Up,* is not a very satisfying book. A journalistic account rather than a

full biographical treatment of Jackie Presser, Neff’s book nonetheless lacks the searching thoroughness of the best of contemporary reporting. Although Neff’s digging into the FBI files is commendable and useful, ultimately he is unable to develop an adequate framework to interpret that material. Neff’s portrait of Presser and of the union’s history in the post-Hoffa years rarely goes beyond an almost sensational fascination with crimes and crime figures. To the extent that this story requires telling, Neff provides us with more than sufficient detail. But his fascination with the underworld, and the stream of often irrelevant gossip that carries that burden, is ultimately inadequate as a narrative structure.

Neff argues that Jackie Presser was a rather inept individual who essentially followed the lead of others in seeking the presumed respectability of a business career within the confines of a trade union structure. Presser’s singular skill, Neff states, lay in his uncanny ability to position himself between sharply contending forces and, in counter-weighing the dangers association with each carried, to keep himself alive. Appropriately, then, Neff begins his discussion with Bill Presser, Jackie’s father, the product of a middle class Jewish Cleveland neighborhood. By age thirty Bill organized the Dry Cleaners Association which, despite promises to improve labor relations, actually forced these small businessmen to pay for protection and in return “negotiated” reduced wage contracts for the workers. From dry cleaning Bill expanded to other industries and, in 1944, he included Detroit’s jukebox industry. There Presser first met Hoffa who, in exchange for lucrative payoffs, helped Presser establish his new “organizing” drive. As in Cleveland, Presser used local gangsters to threaten recalcitrant businessmen.

The relationship between Presser and Hoffa deepened, especially as the union sought to “organize” the vending machine industry. A protege of Hoffa’s, Bill joined the IBT in 1951 and, within the year, was running both Joint Council 41 and the Ohio Conference of Teamsters. As a Teamster, Presser’s approach to unionization remained as it had been since the 1930s; in exchange for high payments, in the form of professional association dues, businessmen were guaranteed labor peace and dramatically lowered wage contracts. To this basic structure Bill added certain new wrinkles. He found it useful, Neff writes, to hold considerable hidden assets in the companies whose workers he now represented; and, leaving no stone unturned, he found the union itself a rich source of wealth in the form of kickbacks, false billings, and multiple union salaries. Girding these activities, of course, as Neff continually reminds us, was an intimate association with organized crime. As Allen Friedman, Presser’s brother-in-law who had known connections with the underworld, recalled, “Bill Presser told them, ‘you better do what I say or my brother-in-law will kill you’.”

It was during this same time that the older Presser took his first steps in aiding Presser fils to make the difficult transition to adulthood. Twenty years old and a Navy veteran in 1946, Jackie was at loose ends and quickly became involved in a variety of petty crimes. In the early 1950s Bill presented his son with a business agent’s position with Local 274, Hotel and Restaurant Employees Union. Jackie proved so inept that, in 1958, a judge quite friendly
with the father nonetheless ordered the son removed from office and forced him to repay thousands of dollars illegally taken from the union treasury. Bill Presser, quite upset, nonetheless established Jackie in a series of business ventures, funded by IBT money; but they too failed. Despite the fact, as one union lawyer would say, that “Jackie Presser couldn’t read a labor contract if his life depended on it.” Bill’s paternal concern led him to try yet again. In 1966, with the active support of Hoffa, Bill raided other IBT locals and forced their members into a new unit, Local 507. He placed two associates in executive positions within the new local and indicated his intent to send more members the local’s way. Suitably giftwrapped, the father presented his son with the secretary-treasurer’s position.

With the establishment of Local 507, Jackie finally found his way. In classic fashion he inherited the family business and, in contrast with the pioneering efforts of the founders, added few new wrinkles over time. Guided by his father until his death in 1981, Jackie successfully negotiated the destructive turbulence that marked national Teamster politics in transition from Hoffa to Frank Fitzsimmons to Roy Williams. On the local and state levels, Jackie finally implemented the lessons in organizing his father had taught. As Anthony “Tony Lib” Liberatore told federal investigators in 1982, “Jackie Presser gets a piece of everything.”


IF WALTER LIPPMANN WAS UNABLE TO IMAGINE THE LEVELS OF SYSTEMATIC CORRUPTION THAT WOULD STRUCTURE THE DEVELOPMENT OF THIS UNION, JAMES NEFF HAS NOT BEEN ABLE TO SEE BEYOND THAT CORRUPTION. AS A RESULT HIS ULTIMATE ANALYSIS, THAT JACKIE Sought TO “TURN HIS COLLAR” BY ENVISIONING HIMSELF AS A CORPORATE EXECUTIVE IN A UNION ATMOSPHERE, IS BOTH WEAK AND NOT EXACTLY NEW. HOFFA,
Beck and Tobin had all exhibited such tendencies, as had numerous officials of other unions even without the corruption that marked the IBT experience. This narrow focus limits Neff’s overall interpretation. By not examining regional differences within the union, rank and file members themselves, the quite sharp differences among the general presidents since Tobin, or the dramatic transformation of the economics of the trucking industry during Presser’s years of influence, Neff of necessity focuses on the titillating imagery of organized crime. This prevents him from evaluating Presser’s years as president and from understanding the current election, the first open election in memory, for the position of general president of the union.

Jackie Presser’s most profound legacy is not, as Neff states, his FBI file. Rather, beyond the corruption issue, Jackie symbolizes a union leader without a clear program of how to survive the economic turmoil of the 1980s. In a certain way the ostentatious trappings of power that obsessed Jackie should be understood as camouflage: in contrast with Hoffa, an almost ascetic leader who crafted national contracts of significance, Jackie simply could not deliver. Presser’s obscene displays of regal power were meant to obscure that fact. Yet, Jackie’s personal deficiencies are not sufficient to explain these failures. The transformation of the trucking industry during the 1980s is critical to any understanding of Presser’s years in office and of the expectations embedded in the current IBT election.

By any standard the Teamsters, with 1.1 million members in 1989, remain quite a powerful union, the largest in America. That figure, however, can be misleading. Since 1978, the IBT has lost some 800,000 members, more than half of that figure since 1987. As with the union movement in general, Teamsters in public sector employment represent a growing proportion of new union members. Currently 39 percent of all unionists, these workers generally face relatively little opposition to organizing from their governmental employers. This stands in sharp contrast with employers in the private sector and thus even figures that suggest an overall growth may indeed mask a weakened bargaining stance. A massive hemorrhaging has devastated the trucking industry. As recently as 1978 some 23 percent of all Teamsters were in the industry; a decade later, in the face of declining overall membership, the figure is 9 percent. Where 42 percent of workers in the industry were Teamsters a decade ago, that figure now is below 30 percent and falling.

These figures suggest the difficult circumstances faced by even the nation’s strongest union. Nor does the evidence allow hopes for a quick turnaround, at least in trucking. Deregulation and the Motor Carrier Act of 1980 have altered the basic structure of the industry. More than one-third of transport companies with revenues of a million dollars or more in 1974 were no longer in existence 8 years later. By 1987 the number of viable national carriers was reduced to under ten. The basic cause for this restructuring was the competition unleashed by new government policies. As Thomas L. Friedman wrote in 1982, as a result of deregulation and the 1980 Act, “an industry that for 45 years was
as controlled as a utility has been thrown wide open, creating free-for-all competition where before there was virtually none." No longer able to pass on costs to consumers through federally regulated rate increases, companies now fought for market share within two broad categories: less-than-truckload (necessitating numerous pick-ups, sorting depots and delivery routes) and truckload (a straight run, with a full trailer, between two points). Even as the competition eliminated poorly run and/or unlucky companies, the emergence of these two concentrated markets wrought havoc with what remained of traditional IBT bargaining in the industry. As Michael Belzer has recently argued, deregulation resulted in a segmented industry that could simply ignore the traditional uniform wage package that had been a hallmark of national Teamster negotiations since Hoffa. In the process the union remains strong in the less-than-truckload segment while it continues to lose members among inter-regional and national over-the-road drivers.  

That Jackie Presser had little aptitude for these problems is evident; but it may be less clear that there were some IBT officials who sought solutions. Norman Weintraub, IBT Director of Research, and other officers at both national and regional levels made concerted efforts to respond to the crisis. But to respond to demands for concessions by companies in economic difficulty meant breaking with the very concept of the national agreement that had been a centerpiece of IBT policy since the glory days of Hoffa’s reign. Such policy generated resistance from many union officials and, in dividing the rank and file, it created among members even more complex attitudes toward their union. In 1982, for example, some 1,000 union drivers struck Hemingway Transport, Incorporated. Hemingway was one of approximately 200 regional companies that demanded concessions and withdrew from the National Master Freight Agreement. IBT Local 701 rejected these demands and ordered the strike. In so doing union officials reacted from within a model of labor-management relations that, however well intentioned, may no longer have been operative. In the two years preceding the Hemingway strike, 144 carriers, employing over 18,000 workers, permanently closed their loading docks; another 47 carriers, with more than 22,000 additional workers, faced severe financial difficulties. Some of the striking drivers understood the bizarre new circumstances. "We want to give concessions," one driver stated, "we’re willing to give up a lot. But we can’t walk away from the union.” Another, 27 years a Teamster, etched the dilemma more sharply: "We’re in the middle. We want to give the company a break but the union won’t let us.” The product of neither turncoats nor poor unionists, these sentiments accurately reflect the pain and confusion of a work world roiled at its very core. How to respond remains today a question not yet solved.  

With the collapse of the national agreement and in the absence of any coordinated policy to replace it, the IBT itself no longer looks as powerful to its members as it once did. Lacking strong internal structures open to democratic involvement, Teamsters, especially in trucking, have increasingly looked to a
group of union dissidents for ideas about the future of their union. Over the past two decades Teamsters for a Democratic Union (TDU) has struggled against the union hierarchy. The right to democratically elect union officers and a more aggressive stance against concessions have been central demands. Although consisting of but 10,000 members, TDU’s influence is far broader. Its monthly newspaper, *Convoy-Dispatch*, circulates widely among union and non-union drivers nationally and its volunteer lawyers have provided innumerable members with concrete assistance in filing grievances against union officials and employers alike. By itself it is doubtful that TDU would have won the right to the coming election as quickly as has occurred: the entrenched union officials resisted the idea and were anything but squeamish in using force against these men and women. While victories did occur in some areas, as TDU-endorsed slates ousted local officials, maintaining those victories proved difficult in the face of overwhelming opposition from regional and national Teamster officials. But the out-of-court settlement to the Justice Department suit required IBT compliance with a federally-run national election for general president. That external federal pressure broke through the internal official resistance to democratic forms; this, in turn, led to the emergence of a viable national reform candidate in Ron Carey. As a result we are living through a rare moment of possibility within the Teamsters.

The basis for this hope lies in the strengths that TDU and Ron Carey offer at this critical time. Current and past members of TDU comprise a national network which will prove valuable to the campaign and which can funnel specific local grievances and concerns to Carey and his staff. TDU is well known for its commitment to democratic reform; but among IBT members it is also respected for its consistent opposition to a series of concessionary contracts endorsed by Teamster officials. Although not previously associated with TDU, Ron Carey’s history evidences an equal dedication to rank and file reform. Elected as a reform candidate to the presidency of Local 804 in New York in 1967, Carey cut official salaries, eliminated the unlimited expense account, and reoriented the local toward addressing the members’ needs. Some twenty years later, Carey earns but $45,000 as president of a 7,000 member local, the largest local of United Parcel Service (UPS) workers in the nation. Although long excluded from policy decisions within the IBT, Carey’s reputation for honesty and committed leadership has won him a national following within the industry.

But there remain serious obstacles to electoral victory, obstacles that the pressure of an election in autumn 1991 might not allow either TDU or Carey the time to overcome. The first obstacle, of course, is the opposition from the sitting officials. Legal resistance has already been intense; while most observers expect an increase in violence as well, if Carey is seen as posing a serious threat. The second difficulty concerns the nature of TDU’s and Carey’s constituencies. Although efforts are being made to broaden both, these constituencies reflect primary strength among truckers. Teamsters in the trade and service sectors of the economy (nurses, teachers and municipal workers, for example) are not well
represented in the reform movement. With continued hard work this may change but it remains a serious obstacle to a Carey victory.

Finally, the economic crisis in the trucking industry may play a critical role in the campaign. Concessions are indeed painful but, as the recent UPS agreement suggests, that pain can motivate workers to react in a variety of ways. In addition to wage issues, the basic issues in these negotiations concerned company demands for greater freedom to employ part-time workers; the creation of a two-tiered wage structure; and the size of cost of living increments over the three years of the contract. The final company offer achieved a first in recent union history: IBT officials, including general president William McCarthy, TDU dissidents and Ron Carey all urged members to reject the proposal. With 118,554 members voting (approximately 80 percent of UPS Teamsters), the contract offer was accepted by the solid margin of 55 percent. Even the threat of a strike in the crisis atmosphere of the industry, where rumors abounded that the Postal Service or the non-union Federal Express Corporation would increase their market share, proved too dangerous for many workers to accept. How this tension will affect the election remains to be seen.

In all probability Walter Lippmann would have welcomed this new sense of the possible within the Teamsters. If true self-government results from this election, it will revitalize the IBT and could have a wide impact throughout organized labor. But not even the most enthusiastic supporters would suggest that this campaign might usher in an era of industrial democracy. That moment of possibility has long passed, obscured now by the twentieth century’s harsh treatment of the more optimistic understandings of such terms as industrial unionism and industrial democracy. Nor, more realistically, would a Ron Carey victory remake the IBT overnight. There would remain deeply entrenched pockets of autocracy throughout the union that could be expected to forcefully resist reform initiatives; while the profound economic problems faced in the trucking industry (and in other sectors of the economy represented by Teamsters as well) could foster serious internal division. Given the forces arrayed against him it is more than possible that Carey will not carry the election in 1991. That prospect then raises a most complex political and tactical problem for both Carey and TDU: how to commit fully to the election while simultaneously, without preaching defeatism, preparing supporters for a longer struggle. The nature of that longer struggle is, however, quite complex. In contrast with Jimmy Hoffa, who was able to use his considerable skills to take optimal advantage of an expanding and decentralized industry, no Teamster president in the foreseeable future will have anything like that advantage. The new market configurations that reflect this transformed industry preclude any quick return of union power. The long term effect of the crisis in the Middle East on all aspects of transportation adds an additional level of uncertainty. In such an atmosphere it should not be surprising if the reform campaign fails of outright victory. But the broadening and strengthening of this democratic movement over the next year, in conjunction with the federal oversight, will, at the minimum, structurally weaken the absolutism of top regional and national officials. That is
not all that is needed or desired but it remains unclear just now the full extent of this moment of possibility.

NOTES

3. Membership in the IBT grew from 75,000 in 1933 to 170,000 in 1936 and to 420,000 in 1939, a four-fold increase in just 6 years. By 1948 the membership had more than doubled again. See James, op. cit., 14.
4. Jacobs, op. cit., 50.. For a recent account of work conditions in the industry for a non-union independent driver, see Bryan DiSalvatore, “Large Cars,” The New Yorker, September 12, 1988, 39-77; September 19, 1988, 63-84.
6. When I was a member of Local 808 I personally knew Teamsters who called the national office in Washington, got Jimmy Hoffa on the phone and then filed their grievance. In at least one case I witnessed, a supervisor told a driver who had called Hoffa that the “beef” had been settled in the driver’s favor. The supervisor added that, while he did not know whom the driver had called, his authority had been countermanded from high up within the company.