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Kate Bronfenbrenner
Cornell University, klb23@cornell.edu

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Abstract
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Declining Unionization, Rising Inequality

An Interview with Kate Bronfenbrenner

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Multinational Monitor: What percentage of the U.S. workforce is unionized?
Kate Bronfenbrenner: Just over 13 percent. The private sector unionization rate is 8.5 percent. Union density in the public sector is 37 percent.

MM: How have these numbers changed over time?
Bronfenbrenner: Union density has gone down fairly steadily since the 1950s, as the workforce grew and the labor movement stopped organizing. It is not as if it started with Ronald Reagan and PATCO in 1980 or 1981, as many believe. The slope down would have been steeper if it had not been for the wave of public sector organizing in the 1970s and 1980s.

The number of union members has stayed steady. It is just that while the number of union members has remained steady, the workforce has grown by leaps and bounds, and it has grown in sectors that have the lowest densities and has shrunk in the sectors that have the most density.

Within certain states, such as Michigan, California or New York, and certain industries, such as longshore or auto, union density is much higher, and unions have much greater power.

But overall there has been a steady decline. The decline in density has slowed down in the last five years or so, with unions struggling to organize as many workers as they have lost, but the bar has gotten higher each year, because the manufacturing sector, which is the most unionized sector, has been hemorrhaging jobs. Just in February alone, the manufacturing sector lost 370,000 jobs. The labor movement certainly didn’t organize 370,000 workers in the month of February.

In the last few years we’ve had density drop by a half of a percent, or a quarter of a percent, but when you’re down to 8.5 percent in the private sector, you need to be gaining by 10 percent, not standing still.

MM: How important are job migration and plant closings to the decline in union representation?
Bronfenbrenner: It is catastrophic to the American labor movement, to the American economy and to American working people. If you look at the number of jobs lost in manufacturing, and look just pre-9/11, it already was a devastating picture. But if you look at the last year and a half, manufacturing jobs are going overseas at such a rate that you start to fear that the very core of the U.S. economy is going to leave the country.

Not only are these much more likely to be union jobs, and jobs with pension benefits, health
insurance and decent wages, but there is a whole economy that is dependent on them. When the manufacturing plant in a community leaves, the retail stores also tend to leave, the restaurants close down, the housing market falls out. The ripple effect goes well beyond the workers in that individual plant. It pushes wages down for all workers, which then once again lowers the demand for products, and the economy starts to spiral downward.

The rate of job loss in manufacturing is profound. Between 1997 and 2001, there was a drop in employment in the manufacturing sector of 9.2 percent. During the same time period, there was an increase in employment in the service sector of 10.9 percent. Also in that time period, there was a loss in union density in manufacturing of 9.9 percent, while the service sector union density increased by 8.3 percent.

What you’re seeing is that the gains in the service sector keep being wiped out by the loss in manufacturing. When you just look at sheer numbers, you see the scale of the problem.

**MM: What portion of the decline in percentage of unionized workers do you attribute to employer resistance, either through union busting or blocking formation of new unions?**

**Brionebrenner:** The biggest factor in decline in union density is the loss of union jobs. Union jobs are contracted out or moved out of the country. That’s the biggest factor in the decline in union density, coupled with the inability of the labor movement to organize on the scope and scale necessary to make up for that decline.

What are the main factors contributing to the failure to organize? Certainly we have some of the weakest and most poorly enforced labor laws that exist. We now have a national administration that has declared unions to be anti-American, is aggressively opposing unions in the federal sector, and is supporting getting rid of unions in the private sector. It has even reached the point where we have the Bush administration asking the Pacific Maritime Association in the months preceding the lockout of the dockworkers saying, “How can we help you weaken the union?”

This is also in a climate where employers are getting more and more sophisticated and aggressive in their opposition to unions. Never has capital been more mobile, never has the threat to move plants in the context of organizing been more credible. Employers have found a set of legal and illegal tactics that are extremely effective in thwarting union organizing efforts. The majority of employers threaten to close if workers organize; one in four employers discharge employees for union activities; and employers commonly use a combination of other tactics, including mandatory captive audience meetings, bribes, surveillance, threats, promises, and literally creating a climate of constant harassment, fear and intimidation. Workers have to go through hell to organize in this
country.

Having said that, I still believe the biggest factor contributing to union decline in organizing success is that unions have not been doing what it takes to organize. Employers have always been anti-union — that is relatively constant. The arsenal of tactics that employers use across the private sector becomes more sophisticated over time, but is basically consistent. It is predictable. Our labor laws have been bad for a long time, and look like they are going to be bad for a long time to come. The one variable over which unions have control is the kind of campaign they run.

As I’ve monitored union organizing tactics over the last 20 years, what I’ve found is that despite the fact that some unions are winning and some unions are running more comprehensive campaigns, and despite the fact that we know which tactics are more effective to win, the majority of unions in the United States still tend to run weak campaigns. They do not put enough resources into the campaign, they are not strategic about organizing, they are not building the kind of momentum and power necessary to take on the large multinationals that dominate the U.S. employment landscape.

When unions run comprehensive campaigns — where they do the research on the company; do target strategically, concentrating on the industries where they have the bargaining leverage and experience to win a first contract; do commit appropriate resources to the campaign; and do develop rank-and-file leadership among the workers being organized, use their own already organized members to help in the campaign, focus on issues that resonate with the workers, engage in union building before the election, escalate pressure tactics in the workplace, in the community and around the globe, to build the union and put pressure on the employer, and make the cost of fighting the union greater than the cost of recognizing the union and bargaining a first contract — the win rate goes above 60 percent. When they don’t use those tactics, the win rate drops down below 20 percent. That alone tells us a great deal about why unions aren’t winning.

Also, the majority of unions continue to organize in small shops, shop-by-shop, NLRB [National Labor Relations Board]-election-by-NLRB-election — they don’t use their bargaining

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### U.S. Union Wage and Benefit Premium, 2001

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When unions have density in an industry, then they have the power to keep wages up. If a union represents only a small percentage of workers in an industry, they don’t have the power to push wages up, because the few employers they are bargaining with know other employers can pay less, and that drives the wages down.

**MM: How do employers use the threat or reality of mobility against union organizing drives; and how does the relative mobility or immobility of the industry affect the use of plant-closing threats?**

**Bronfenbrenner:** Employers use threats as part and parcel of an aggressive campaign. The same employers who are most likely to fire workers for union activity are the same ones most likely to threaten to close or move.

In the mobile sectors of the economy such as manufacturing, 70 percent of employers threaten to close the facility when workers try to organize. Those threats include very direct or even written threats, such as newsletters or mailings saying, “we cannot promise that your future will be secure if there is a union here,” and maps on the wall showing arrows of the company moving to Mexico. But the threats are more likely to be vague statements that, “In the global economy, for us to be flexible and competitive, we cannot be constrained by a union environment, and we cannot predict our economic future in a union environment.” These are vague statements, but all the worker has to do is look at the company brochure that production is increasing in China and Mexico, and know that the plant down the street closed, and those threats are very effective.

Employers are making those threats even in industries that are not mobile. They are threatening to close, they are threatening to move nursing homes, hospitals and hotels. In those cases, they use the threat of contracting out or shutting down one wing than closing down or moving out of the country. Although you cannot move a nursing home or hotel to Mexico, you can contract out the work, and that has the same effect for the workers involved.

The difference is that if you are in a mobile industry — if you are in electronics, or textiles, or auto parts — you know hundreds of examples of companies in your industry that did move. And the employer makes sure you know that by handing you numerous newspaper clippings of plants that have closed. We found in the research we did for the U.S.-China Security Commission that employers float stories in the newspaper that they are planning to close and move to China or Mexico and then never follow through on the move. The very floating of the idea serves its purpose of either having a chilling effect on an organizing campaign, or keeping workers from making wage gains, or getting workers to make concessions on healthcare or pensions or other benefits.

**MM: How do unionized wages compare to those for non-unionized workers?**

**Bronfenbrenner:** The union/non-union wage gap continues to be quite significant. According to the Economics Policy Institute, the union wage premium is more than 28 percent. In the current economic climate, the union/non-union compensation gap becomes even more significant and important, because when you combine wages with health and pension benefits, the union/non-union differential is extraordinary. The majority of unionized workplaces have health insurance. The majority of non-union workplaces do not have full health plans and pension plans, and there continue to be non-union workplaces that pay just above the minimum wage, or pay the minimum in the industry. Unionized workplaces continue to be the high end of each industry.

But, having said that, as union density goes down, union power to keep those wages up also decreases.

**MM: When you compare union and non-union wages, to what extent does that reflect the fact that unions have historically organized the higher paying manufacturing sector, and that the growing non-unionized service sector is lower paid?**

**Bronfenbrenner:** There is a very simple answer to that. The greatest union/non-union wage differentials are among women of color, and they do not occupy jobs in the industrial sector or that unions have historically unionized. What that means is that, in the worst jobs in the economy, being union makes a big difference. The union/non-union differential crosses sectors — you see it in healthcare and high-tech, in the public and private sectors.

The majority of newly unionized workers are women and women of color, with a high percentage of new immigrants. Those workers are seeing significant wage and benefit gains as a result of joining a union.

**MM: How does union density influence the wage impact of unionization?**

**Bronfenbrenner:** When unions have density in an industry, then they have the power to keep wages up. Each employer is less likely to be undermined by another employer paying a lower rate. Unions are much more able to get pattern agreements, and keep the wage rate high.

If a union represents only a small percentage of workers in an industry, they don’t have the power to push wages up, because the few employers they are bargaining with know other employers can pay less, and that drives the wages down.