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Why Labor Unions Have Grown Reluctant To Use the “S” Word. Global, High-Tech Economy Makes Striking Riskier As Membership Declines. A Sense of Shared Purpose, 1999

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Why Labor Unions Have Grown Reluctant To Use the “S” Word. Global, High-Tech Economy Makes Striking Riskier As Membership Declines. A Sense of Shared Purpose, 1999

Abstract
I have to go out there and rattle our swords.

To Use the 'S' Word

shows, union leaders and members are tentative settlement of the New York time of prosperity. But increasingly, as the United Auto Workers union. "We don't rel uctant to launch labor's ultimate... force by 12%, or 14,000 employees, and gain $3.8 billion in annual pretax savings, far more than original guesses. (Article on Page A3)

Industrial production rose 0.3% in November, aided by gains in manufacturing, and is up 4.3% for the year. The increased output, however, isn't being stockpiled in anticipation of Y2K. (Article on Page A2)

Federal authorities in California arrested two men for allegedly manipulating a small stock by posting false rumors on Internet message boards. (Article on Page C1)

Sony Pictures is banking on the success of "Stuart Little," a $103 million "event" film, to halt the studio's two-year slump at the box office. (Article on Page B1)

Makers of satellite phones are getting a rare boost in sales as anxiety about the year-2000 bug has companies bracing. A and Gregory White, porters Jeffrey Ball, Glenn Burkins and Gregory White. After all, Mr. Yokich adds, "what do we have to lose? Unions still have a lot of power in the U.S.," Mr. Yokich said. "And the benefits of union membership are clear to many workers."

What's News--

Business and Finance

Major music companies have talked with federal antitrust enforcers about settling allegations that they acted illegally to discourage retail discounting of compact disks, industry lawyers said. The FTC investigation marks a second antitrust probe of music-industry practices and apparently has delayed the agency's approval of the CDNow-Columbia House merger. In a separate inquiry, the Justice Department is looking into MTV and its dominance of music videos. (Articles on Pages A3 and B1)

Israel and Syria opened peace talks under U.S. auspices in Washington. There was no handshake between Israeli Prime Minister Barak and Farouk al-Sharaa, the Syrian foreign minister, who accused Israel of uprooting a half-million Syrians after taking the Golan Heights in 1967. He went on to say that the world has ignored Arab suffering stemming from the creation of the Jewish state. Despite that, he said, President Assad seriously desires peace. The White House made no claims of progress or any changes in position since talks between the two nations started 3½ years ago. Negotiations resume today.

Chechen rebels repulsed a Russian armored assault on their capital.

The defeat of the push into Grozny, which reportedly left a number of Russian soldiers dead and vehicles burned, heartened rebels after Moscow earlier predicted the city would fall within days. Rebels also claim to have beaten back six other attacks. There was no comment from the Russian side. Shelling of the city is now continuous. Only a few civilians made it out over the weekend.

The U.S. and China reached an accord on compensation for the May 8 NATO bombing of Beijing's embassy in Serbia and the subsequent mob attack on Washington's in Beijing. China will get $28 million; the U.S. receives $2.9 million. (Article on Page A2)

Venezuelans overwhelmingly endorsed a constitution that vastly increases President Chavez's powers and allows him to rule for many more years. Businessmen and economists dislike the charter. Voting took place amid heavy rains that killed at least 57.

Jordan arrested 13 suspected terrorists in a house in a Tel Aviv suburb Wednesday. The arrests resulted from a joint security sweep of the eastern suburbs. Jordanian authorities said the men were planning to attack the United States.

Inside Today's Journal

AMERICAN OPINION

In next year's elections, voters will be looking to the question of leadership as well as the issues, and weighing the two in the balance.

- The electorate prizes leadership partisanship and gives Gore high negatives.
- The GOP has a lot of catching up to do when it comes to education, health care and the like.

The Last Full Moon Of the Millennium Must Be Momentous

Big, Bright and Close to Earth, It Could Well Play Tricks Not Seen in Many a Moon

By Daniel Golden

Staff Reporter of THE WALL STREET JOURNAL

Forget Y2K. Stephen Shusterman is worried about the super moon. Every 29 days, the pediatric dentist says, his Needham, Mass., practice turns into a triple lunar. DTCLE children bawl when he tries to fill cavities. Parents complain about waiting-room delays or the price of braces. And Dr. Shusterman and his hygeientist nod knowingly at each other: Cranke- ness, he says, always ratchets up with the coming of the full moon.

Next Wednesday, because of celestial coincidences that haven't occurred in 133 years, the last full moon of the millennium will be unusually large and bright--so bright that other permitting, might not even notice it.

The European Union is the greatest new plan presented to the European Union, the eUrope initiative is designed to bring more people on line, fostering business and improving consumer's access to the New Economy, say supporters of the 100-point plan, introduced at the recent summit in Helsinki, includes issues ranging from raising venture capital for Internet-related startups to reducing Internet access taxes. "Technologies and markets today are moving at a much faster pace than perhaps before in economic history," says Antti Liikanen, the EU commissioner responsible for information-technology policies. "For efforts to be made now," he adds, "for the initial effort would be further developed into a special ministerial conference of the European "Society" in Lisbon next year."
have to go out there and rattle our swords. We have to be professional about it."

After all, Mr. Yokich adds, "what do you get out of a threat? If you start rattling that sword, you've got to be prepared to do it."

And for many unions, using the sword can get a lot of people hurt - starting with union members. The calculus of labor relations is indeed different these days. Workers have become shareholders. Technology and globalization can put jobs at risk even when a union has "job security" written into its contract.

Ron Blackwell, the AFL-CIO's director of corporate affairs, says the threat of replacement workers is what's driving the decline in strikes. In 1982, the year after Ronald Reagan fired the striking air traffic controllers, the number of major strikes dropped to 5 from 19 the previous year - the first time on record; the number hasn't recovered since. And the threat continues: Earlier this year, after major-league baseball umpires resigned en masse over disputes with management, 22 of them were replaced by minor-league umpires.

Even at the Big Three Detroit automakers, where hiring replacements for striking workers is impractical for a variety of political and operational reasons, unionized workers still worry that they could jeopardize their jobs by repeated walkouts. They know that the companies could punish uncooperative union locals by shifting work to cheaper nonunion or overseas factories.

"It takes an incredibly courageous group of workers to go out on strike," Mr. Blackwell says. As strikes have become more risky, union leaders have sought other options for applying pressure on management. Today, a union is far more likely to wage a public-relations campaign against a wayward employer. Another strategy is to lobby the big money-management firms that invest union pensions.

Also pushing unions away from strikes is the fact that walkouts are bad for recruiting. This is no small matter to unions such as the UAW, whose active membership, despite rising in 1998 for the first time in a decade, to about 780,000, remains at less than half its 1970 level of 1.6 million. Many of the people the UAW wants to sign up are turned off by strikes:

Witness the impact of the UAW's 54-day walkout at two critical General Motors Corp. factories in the summer of 1998. The strike cost the company $2 billion and slashed GM-UAW workers' 1998 average profit sharing to just $200 each, compared to $6,600 for their counterparts at Ford Motor Co. and $7,400 for employees of DaimlerChrysler AG's U.S. arm.

These days, Mr. Yokich tries to avoid casual use of the word strike. No longer does the UAW say that it is picking a "strike target" in its negotiations with Detroit's auto makers. Instead, UAW leaders talk about choosing a "lead" company.

This change in style and substance at the UAW is one reason for the sharp rise in the number of union members who have "quit" their unions over the past decade: 1.4 million a year under President Ronald Reagan, 1.1 million a year under President Bill Clinton.

Slow to Strike

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<th>Year</th>
<th>Number of work stoppages involving 1,000 workers or more</th>
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<tr>
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</tr>
<tr>
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</tr>
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Source: Bureau of Labor Statistics

Please Turn to Page A8, Column 1
Why Labor Unions Are Reluctant to Use the "S" Word

Continued From First Page

The UAW reflects a broader reality in the U.S. labor movement. The number of striking auto workers has been declining for more than 50 years. Between 1947 and 1957, there was an average of 337 big strikes a year, including 470 in 1951. But during the 1990s, there was an average of 291 strikes a year. But between 1990 and 1998, the average number of big strikes each year was just 36, including 34 in 1998, according to the Bureau of Labor Statistics.

Of course, that trend coincides with the long-term decline in union membership among U.S. workers. Despite vigorous and much-publicized efforts to organize workers, the share of the U.S. work force represented by unions declined again in 1996 to 13.9% of wage and salary workers, down from 14.1% a year earlier and 20.1% in 1983. There are no indicators that labor leaders' arguments that American workers need unions to protect them from exploitation in the global economy—and the fact that the median household income of $65,000 a week, compared to $69,000 for nonunion employees—will persuade them to abandon their policies.

Behind all these numbers are some bigger factors. Even if the recent trend is compressing even hard-nosed union leaders such as the UAW's Mr. Yokich to reassess their tactics.

What has changed? For starters, the old line that labor and capital are becoming blurred as more workers hold stock in their companies and get a cut of corporate profits. As long as Silicon Valley made stock options a standard piece of an ordinary worker's compensation, the UAW was pushing to win factory workers a piece of the capital pie. But the rise of the late 1970s and early 1980s, Japanese cars were running over Detroit's Big Three, then-UAW President Douglas Fraser realized something big was happening.

"The world changed; globalization," he says. "And I think the workers realized that opportunities were tied to the company's. They couldn't survive unless the company survived.

Ford, GM and the former Chrysler Corp. all have launched profit-sharing plans for their UAW workers. Those plans, particularly at Ford and the former Chrysler, have become a major chunk of workers' compensation. According to calculations by Mr. Fraser, who now teaches labor studies at Wayne State University in Detroit, the UAW has earned $37,541 in profit-sharing checks since 1990.

Pride of Ownership

Auto workers now own substantial chunks of their employers. About 20% of Ford's common stock is owned by locals who own GM's stock. He says Delphi's independence now opens the prospect of actually expanding the business.

"If we get to the point where more of our business is non-GM, then I believe the sky's the limit, " he says. "I'm starting to believe that big strikes are over for being strike-happy makes organizing more difficult."

The failure of union efforts to stop erosion of membership at companies such as Ford and GM has forced labor leaders to do more creative things to hold on to what they have done well, in the past decade: Market themselves to prospective new members.

When John J. Sweeney took control of the AFL-CIO in 1995, he vowed to rejuvenate the labor movement, particularly among the hard-nosed, organized, but also by making unions more palatable to modern workers. Since then, the labor federation has spent millions of dollars trying to cast itself as a force in the modern age.

A few successes

Unions have scored some organizing successes, particularly among industrial plants. In Seattle, the Communications Workers of America is trying to forge ties with part-time workers at Microsoft Corp. It also built an informal alliance with workers who are buying into Microsoft's stock from the company's profit-sharing plan.

And some initiatives haven't resulted in a convincing turnaround in overall union membership. As UAW leaders have discovered, having a reputation for being strike-happy makes organizing all the more difficult.

When the UAW struck GM in 1998, the union had a hard time getting new members. But the union's success in 1998 was in the wake of some very hard organizing. And now, though Mr. Yokich is fighting for UAW union members.