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To Cure Labor’s Ills Bigger Unions, Fewer of Them

Abstract
[Excerpt] Only big, coordinated unions can stop employers from playing off one group of workers against another. Only strong national union organizations that prove they can stand up to the power of the big corporations will attract unorganized workers to the labor movement.

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American labor needs a new industrial unionism in one big movement to fight the war being waged by employers against their employees.

The crisis of American trade unionism is commonly laid to structural changes in the economy, but labor has a structural crisis of its own: too many unions going in different directions, while a few big companies are tightening their grip on industry.

A union movement still riddled with jurisdictional disputes and personal rivalries is in no shape to stop them. Last year, for the first time in 40 years of record keeping, non-union workers averaged greater wage increases than union members. Decertification elections to oust an incumbent union, held at a rate of some 200 per year through the '50s and '60s, have climbed close to a thousand per year over the past decade. All told, unions now represent a shaky one-fifth of the American workforce, down from a solid one-third three decades ago.

To reverse its declining fortunes, the labor movement has to revive the "one big union" sentiment of early union organizers. And for encouragement it should look back to the premature obituaries that were written for unions in the 1920s and early '30s -- it was believed then as now that change and technological advance would kill them.

It may sound surprising today, at a time of deregulation in industry and public antipathy toward "big labor," to call for a more centralized American labor movement. Many labor analysts, and even some union leaders, believe each local union should tailor its bargaining demands and work rules to the needs of the individual workplace. This, they say, is more in keeping with a dynamic, competitive economy.

The problem is that big corporations don't believe the rhetoric of deregulation or decentralization for a minute. In airlines, trucking, rail, steel, electronics, energy and many other sectors of the economy, smaller competitors are being gobbled up by industry giants. Individual unions are being battered and sometimes broken in the process.

Times have changed.

After a family-owned toolmaking plant in New England was organized by a machine workers union in the 1940s, the union sat across the table from the company owner and settled good contracts for three decades. But what happens to the union when that plant in Massachusetts becomes just one of Litton Industries' many machine-tool plants around the country, all of them represented by different unions with different contracts, expiration dates, wage levels, bargaining strategies and union philosophies, and when Litton's machine-tool division is itself one of many company product lines that include Navy ships, microwave ovens, missile guidance systems and office furniture?
What happens is that the union loses its bargaining power. And there is nothing unique about Litton in that.

Earlier this year, 80,000 workers at RCA Corp. awoke to find they were employes of the General Electric Company. Broadcast technicians who belong to the unions at NBC now have to deal with the same top management as members of the Machinists union at the medical equipment plant in Milwaukee, the Electronics Workers at the kitchen appliance plant in Louisville, and the United Electrical Workers at the locomotive plant in Erie, Pa.--not to mention the thousands of non-union workers in G.E.'s fast-growing mortgage financing, information services and corporate credit operations.

Steel workers at USX plants around the country are in the fourth month of a bitter lockout struggle after the company refused to match contract settlements at other steel firms. At the same time, thousands of other union members in USX's separate oil, chemical and mining divisions remain on the job, blocked by different contracts and restrictive labor laws from offering more than financial aid and expressions of support to their locked-out union comrades.

How can labor deal with these changes?

First, union leaders have to put aside jealousies and rivalries geared to the old turf battles of their glory days. Instead of the hundred national unions inside and outside the AFL-CIO, labor must create broad-based federations--still in a single national labor center--with unified bargaining programs.

A single metalworkers federation, for example, could coordinate strategies for auto, steel, electrical, machine tool, aerospace and other manufacturing industries--and unite workers in different subsidiaries of the same diversified employer. A united metalworkers grouping could also launch new organizing campaigns aimed at non-union Japanese automakers setting up shop in the United States, at the non-union steel "mini-mills" that are taking a growing share of the market, at the Silicon Valley semiconductor plants or the many non-union branch plants of companies like General Electric and Westinghouse.

The same kind of widened organizing and bargaining base could revitalize traditional labor strongholds as well as winning members in health care, retail trades, financial services and other growing service sectors.
Contrary to conventional wisdom, it is in the service sectors that labor unions could score big gains. The U.S. economy is still in the early stages of the shift to an economy dominated by service and high technology. History tells us that sooner or later they are apt to be ripe for organizing.

Unions have always stalked employers and eventually organized employes in the growth industries that transformed the American economy. Railroad workers who laid the foundation of coast-to-coast commerce in the last century, coal miners who fed the country's surging energy needs in the early 20th century, mass-production workers who powered the war effort and the postwar boom in manufacturing, truckers who swarmed onto the new interstate highway system in the 1950s, state and local government workers who met the demand for more public services in the 1960's: sooner or later -- sometimes after decades of failure -- they organized themselves into unions.

There is solace here, but not an iron law of history. Too much patience, and there may not be much of a labor movement left to organize the new sectors. Employers are riding the wave of economic change to break labor's strength in organized workplaces and keep unions out of unorganized shops.

John Kenneth Galbraith, certainly not the favorite economist of American management, calls the fall in union membership "not a temporary setback pending the organization of white collar employes but the earlier stages of a permanent decline."

AFL-CIO President Lane Kirkland counters that this is the view of "prophets of doom." Union leaders concede they need fresh approaches to organizing, but blame their woes mainly on a new anti-union aggressiveness on the part of employers and weak federal labor laws, compounded by an anti-labor turn at the National Labor Relations Board. With fairer laws and stronger law enforcement the decline in union membership could be reversed, argue unionists -- often pointing to the Canadian experience, where union membership has increased despite similar shifts in the economy.

Union leaders can take heart too in the words of another liberal economist who once said that "the decline in the power of American trade unionism is due to occupational changes and technological advances likely to continue in the same direction. I see no reason to believe that the labor movement will so revolutionize itself as to become in the next decade a more potent social influence that it has been in the past decade."

These words are heartening because economist George E. Barnett wrote them in 1933. Just around the corner were the San Francisco and Minneapolis general strikes of 1934, the 1935 sit-down strikes by electrical workers in Toledo and rubber workers in Akron, and mass organizing drives that swept six million workers into the newly-formed Congress of Industrial Organizations (CIO). Stung by the success of CIO militancy, the American Federation of Labor (AFL) undertook its own industrial campaigns. All told, union membership more than tripled in the decade predicted bleak by Barnett, from fewer than four million workers in the AFL to more than fourteen million in the two federations.
But the organizing gains of the 1930s were not just a function of legal reforms. There was a new union strategy behind them. In place of ineffective craft unions that organized trades and ignored production workers, the CIO unions promised to organize the whole company and stand together against the boss. This industrial unionism organized all workers in one union regardless of skill or race or sex, bargaining as one with their employers. The arbitrary might of U.S. Steel, General Motors, General Electric, Goodyear Tire and other big companies that operated many plants in a single industry was checked by industry-wide organizing that adapted itself to the newly-matured forms of corporate power. On the same principle unions organized many of the nation's privately-held businesses making industrial equipment for the big corporations.

The same period saw the passage of the Wagner Act and its creation of the National Labor Relations Board. The Board has tailored its rulings over the years to the industrial structure just described: large, multi-plant corporations in a single basic industry served by smaller, single-plant suppliers. The important concept of "bargaining unit" -- a grouping of employees with common interests -- still reflects this industrial model.

Unfortunately for American workers in many industries, their unions are locked into the same forms and structures of organization erected in those years of their greatest victories, and the NLRB still enforces labor laws with the old industrial framework in mind.

But American corporations have exploded the old structures of single industry or single enterprise businesses. A spiral of acquisitions, takeovers, divestitures, mergers, leveraged buyouts and other gameboard moves by management began in earnest in the 1960's, paused for breath in the 1970's, and has taken off to new heights in this decade. Labor now needs to adapt, just as the CIO adapted fifty years ago.

While unions cannot afford the instability and turmoil of corporate-style flip-flops in their own organizational structures, they have to develop new alliances and creative countermoves.

The labor movement is not oblivious to its structural crisis. In a seminal 1985 report entitled "The Changing Situation of Workers and Their Unions," the AFL-CIO recommended more union mergers, especially for its affiliates with fewer than 50,000 members. Many important mergers have been consummated in recent years, like one of several printing trades unions to form the Graphic Communications International Union; that of the Retail Clerks and Meatcutters making the United Food and Commerical Workers, or the latest move of the United Furniture Workers to join the International Union of Electronics Workers. But other merger moves have failed at the last minute, like a proposal to join the Paperworkers and the Oil, Chemical and Atomic Workers, and various efforts by the International Typographers Union to find a resting place the with the Newspaper Guild, the Teamsters, the G.C.I.U. and others.

The AFL-CIO is also making efforts to sort out organizing targets among affiliates to
avoid costly competition for the same bargaining units. One race in Ohio last year saw State, County and Municipal employees, Teamsters, Communications Workers, building trades and other unions waste millions of dollars competing for state employee bargaining rights.

In another move held up as progress, a half-dozen major unions are amicably dividing up Blue Cross -- Blue Shield organizing targets around the country. But isn't this really a continuation of the basic problem? How much can Blue Cross and Blue Shield workers advance when they are represented by six different unions?

Too often, unions seek mergers out of financial distress, shopping around for the best "deal" without a strategic vision of uniting workers in an industry or a conglomerate or a sector of the economy. Without such a strategy for strengthening bargaining power or a vision of how a merger will make the labor movement stronger, such moves amount to re-arranging deck chairs on the Titanic.

Where unions have given coordinated efforts a strategic foundation, they have had some success against conglomerate employers. The dozen unions representing General Electric employees formed a coordinated bargaining committee to negotiate jointly a national wage and benefits agreement. Born out of a nationwide strike in 1969, this structure has enabled G.E. workers to win steady wage and benefit increases since then, even when unions across the country were routinely giving gains back to management. The AFL-CIO's Industrial Union Department has similar coordinated bargaining committees in fourteen other major corporations. In most companies, though, union coordination amounts to nothing more than exchanging information about separate bargaining troubles.

When the American Federation of Labor refused to countenance industrial unionism in the 1930's, it took an AFL stalwart, John L. Lewis of the Mineworkers, to make the break toward a new form of labor organization -- the CIO. The same kind of break is needed today, but there is no reason this could not happen while preserving a united labor movement.

Only big, coordinated unions can stop employers from playing off one group of workers against another. Only strong national union organizations that prove they can stand up to the power of the big corporations will attract unorganized workers to the labor movement.

Unions can keep complaining about the labor law and the labor board and the anti-union consultants, and their complaints are justified. But the trade unionists who founded new forms of unionism and won millions of workers to the labor movements had no laws or government agencies to help them. Those unionists went to the unorganized masses with a promise of strength in number, resolve in purpose and unity in confronting the employers. The same strength and resolve and unity can organize the new millions of non-union workers around the country in years to come.
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