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THE ROLE OF AND CHALLENGES FACING UNIONS IN THE 1940's AND THE 1980's—A COMPARISON

REMARKS OF THOMAS R. DONAHUE*

From the 1940's to the 1980's, the essential role of unions has remained unchanged. But the subsidiary elements of that role—the accidents which attend its fulfillment, the strategy and techniques—have changed enormously. Thus, the essential challenges facing unions in the 1940's and 1980's are quite different, and the strength of those challenges and the force of the opposition we face are, I think, substantially greater.

But I am never sure how to compare one age with another. How does one compare the Wagner Act of the first seven years of the 1940's with the labor law of the 1980's, after Taft-Hartley and Landrum-Griffin? How does one compare the divided labor movement of the 1940's with the movement of the 1980's, which is finding its new strength in solidarity, both economically and politically?

How does one compare the 1940's when soldiers, acting with the full force of the government and the full support of the Chief Executive, carried Sewell Avery out of Montgomery Ward in his executive chair to the cheers of the people, with the 1980's when the Chief Executive, acting with the full force of the government, fired 11,500 workers for striking, unhappily with the concurrence of a great number of citizens?

How does one compare the strength or effectiveness of unions which bargained for wages and a few fringes with those that today bargain, or seek to bargain, on everything from plant closures to outsourcing, from social investment of enormous pension and welfare funds to varying degrees of worker participation, management or ownership, and from comparable worth to "employer neutrality" clauses?

How does one compare the political divisiveness of unions which split over Truman vs. Dewey in 1948 with the political unity of unions in the 1980's, when they conducted the widest opinion-sampling ever taken among their members, and then, four months before the first primary, threw the full force of their sophisticated polling machinery behind the candidacy of Fritz Mondale?

I would urge that the comparison must start with an examination of the continuing fealty of our unions to the philosophy which drove

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them through the infancy and childhood years of the modern American labor movement. I submit that we are still faithful to that philosophy and that it dictates an essentially unchanged role.

We are the workers of America who have banded together to improve our lot and to improve America. The role of the American trade union movement is that of a change agent in society. Our role is to improve the human condition in America.

Our goals were best spelled out in 1893 by the first president of the AFL, Samuel Gompers, in response to the question, "What does labor want?":

What does labor want? It wants the earth and the fulness thereof. There is nothing too precious, there is nothing too beautiful, too lofty, too ennobling unless it is within the scope and comprehension of labor's aspirations and wants. . . . We want more schoolhouses and less jails; more books and less arsenals; more learning and less vice; more constant work and less crime; more leisure and less greed; more justice and less revenge; in fact, more of the opportunities to cultivate our better natures, to make manhood more noble, womanhood more beautiful and childhood more happy and bright.¹

I suppose in today's world Sam would have urged making both manhood and womanhood more noble and more beautiful.

These goals expressed by Mr. Gompers call for transforming America and require a trade union movement open and alert enough both to foster change and to manage it, and indeed, to change itself. The ideas, philosophy and goals of the trade union movement surely have that continuing validity.

Let me offer you my view of that trade union philosophy and of its continuing importance in our labor movement. The trade union movement of this nation has been and remains one of the great civilizing, humanizing and democratizing forces of American life. It has been, first and foremost, a special interest organization seeking to improve the lives of its members by improving their job-related conditions and by insuring respect for their individual dignity on the job. It believes that the worker, at all levels, is entitled to a fair day's pay for a fair day's work.

Moreover, it believes that the worker is entitled to share in the profits he helps to create, and thus, its function is also to seek a larger share of those profits than "market forces" might dictate. It believes that those profits can only be created in a well-managed enterprise,

where both capital and labor contribute to the result and participate in the decision-making processes.

Secondarily, it has sought to improve the conditions of life of its members by improving the conditions of life for all in our democratic society through political action and legislative efforts. Since its earliest days, it has sought to improve the quality of worklife, insure industrial democracy and participate in decision-making—long before the call for these values became "fashionable." It seeks, through collective bargaining, political activism and legislative action to bring about a broader sharing in the riches of the nation.

It believes that confrontation and conflict waste of our energies and resources, and deeply desires a cooperative approach to our shared present and future problems. The problem always is finding those who really wish to cooperate.

It believes that it is the single most effective voice in this land raised in support of the poor, the unemployed, the sick—the people Ben Hooks so clearly refers to as "the least, the lost, and the left out." It is, in short, a truly virtuous institution to which you all owe a great debt for the progressive yet stabilizing effect it has had on America.

If that picture of a truly virtuous institution, contributing so importantly to American life, has not come through to all of you and all of American society, it must be that our public relations efforts have been less effective than those of corporate interests with which we struggle, that media owned by corporations that see themselves as adversaries of unions do not give us a fair shake, or that we are responsible for having failed to communicate properly what we really are. Another part of the explanation, of course, is that, because we exist in the real world, our performance does not always live up to our philosophy or our promise. But I would insist on your seeing the true face of labor, not just the warts, however obvious they may be.

Faced with hostile employers and a sometimes hostile press, a change agent in society has to take what help is at hand, self-help included, and use it as best it can. Thus, when our offers to participate in management in a truly cooperative fashion are spurned, we are forced to take a confrontational role. When our view of a fair day's pay or a larger share of the profits does not accord with the bosses' view, we must confront them over that disagreement.

We have hailed and agreed with the view of Pope John Paul II expressed in his latest encyclical, "On Human Work," that man must be at the center of the economic order, that the economic order must serve man and that capital must serve labor. But we have not believed that faith in the Lord would be enough to accomplish our goals.

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Now we take this philosophy, this desire to improve the conditions of work and life for workers and all people, this desire to transform America, into the 1980's. We try to address those same goals in a somewhat changed and changing economy and in a changed and changing personal and organizational environment. We pursue our efforts to insure that man is at the center of an economic order that is designated and operated to serve him and that his dignity is respected fully.

Unions are the single most powerful force for progress in this nation: There are 22.4 million people in over 105 national unions and in 40,000 local unions, well over one-third of a million democratically-elected officials and over one million shop stewards. Unions are the best hope for the kind of nation we all want.

Unions represent some twenty percent of the total workforce, but I think it makes much more sense to see those twenty-two million union members as thirty percent of those American wage or salary employees eligible to join unions. It is misleading to use the twenty percent figure as the press continually does when the owner and managerial group—the supervisors, doctors, lawyers and self-employed—continues to grow, and when that group is ineligible for union representation by law, circumstance or custom.

Admittedly, union members are a slowly declining percentage of the union-eligible workforce, although membership is growing in absolute numbers as the workforce grows. This is true, I believe, because the early strength of the trade union movement was in those industries and occupations which have been shrinking in recent years due to technical change, process change or the effects of unfair international trade. But it is also due to two other factors. One is the time it has taken to gear our unions to new industries and new, often more "high-tech," occupations. The second is the overwhelming obstacles that have grown up in the path of workers who seek to assert their legal rights through the processes of the National Labor Relations Board (NLRB).

One of the chief questions for the 1980's is whether the traditional relationship between management and labor is going to change or is already changing. I submit that it is changing now, but only in a relative handful of organized firms in which an enlightened management has accepted our desire to move from conflict to cooperation and has been willing to accept the participation of the union as a real partner in the process.

In the overwhelming majority of firms, the employer continues to resist employees' efforts to organize or to expand the union to currently unrepresented units. He continues to encourage or stimulate decertification petitions or, at a minimum, maintains an ambitious union avoidance program as part of the normal training for all supervisors.
The fact is that the employers of this nation preach labor-management cooperation only after we have wrestled them to the ground and pinned their shoulders to the mat. At about the point when the referee is calling two, and just before he tolls the final verdict, they start preaching cooperation to us and to all the journalists and economists who will listen.

The employers of America, acting individually and through their organizations, have proclaimed their flat-footed opposition to any change in the nation's basic labor-relations statute which might make it more responsive to the needs and the desires of workers. They have proclaimed, in a full chorus from which only the nation's Big Four auto manufacturers and a handful of smaller companies have excused themselves, that they are determined to oppose the efforts of their workers to form and join unions. Then, without so much as a pause for breath, they proclaim a desire for labor-management cooperation and the need to join together to increase productivity as if it were simply a matter of worker effort.

Strange behavior? I think it is. Counterproductive? Of course it is. Behavior for which they are criticized, ridiculed or ever questioned? Not at all. It is perfectly acceptable in America—good old American-style, free-enterprise capitalism at its best. That is the kind of conduct, we are told, that made America great.

For our part, we would like to see the fullest degree of labor-management cooperation in this country. Such cooperation, however, must be based on: mutual acceptance of both the other side's right to exist and the other side's good faith; an acceptance of corporations' needs to be productive and to generate capital for investment, production, payroll and profit; and, an acceptance of workers' needs to be undisturbed and unintimidated in their right to form unions or to be participants in forms of industrial democracy that would guarantee their dignity and the decency of their living and working conditions. But until those things are an accepted part of the labor-management scene, it seems to me futile to speak about labor-management cooperation other than as an abstract principle.

In a recent article, Professor Paul Weiler of Harvard Law School analyzed the conduct of American employers. He traced "the skyrocketing use of coercive and illegal tactics by employers" back to 1957, when union representation was at its zenith. In all of the United States that year, 922 workers were fired illegally for union activity

4. Id. at 1769.
and consequently reinstated by the NLRB. By 1965, the number of workers illegally fired during organizing campaigns reached 6,000. In 1980, the NLRB ordered a stunning 10,000 reinstatements for illegal firings during certification campaigns. One can imagine, if the Board ordered 10,000 reinstatements, how many discharges there were in total. Professor Weiler states that "[s]uch a widespread pattern of employer intimidation has ramifications that reach far beyond the units in which discharges actually occur. It fosters an environment in which employees will take very seriously even subtle warnings about the consequences of joining a union."\(^5\)

I submit that the employer community of this country is responsible for such conduct just as I and my fellow trade unionists are responsible for the conduct of this trade union movement. Labor-management cooperation can exist when the views of that community change, and when 10,000 people are not fired for simply trying to assert their right to join or form a union.

What is ahead? What is not ahead? What is not ahead is union irrelevance, at least not until everybody in society is fair, understanding, generous, noble, hard-working, impartial, selfless and so forth. In the meantime, I think, unions will remain quite relevant. What is ahead is a shortfall of four to six million jobs in the 1980's and 1990's, on top of frictional and cyclical unemployment—a shortfall created by the shrinkage of traditional industries and the inability of the newer industries to take up the slack.

From the 1950's through the 1980's, we have seen constantly higher levels of unemployment. In the 1950's, we had only four years when the unemployment rate went over five percent. In the 1960's, we had five years when the unemployment rate went over five percent. In the 1970's, we had eight years when the unemployment rate went over five percent. In the first four years of the 1980's, we have had unemployment of 7.1, 7.6, 9.7 and 9.6%.

We have had an AFL-CIO Executive Committee studying job, occupational and industrial changes and looking at the shape of our workforce and its deployment by 1990. After a nine-month analysis, the Committee concluded that a job shortfall of four to six million is a modest estimate if present trends are continued.\(^6\) *U.S. News & World Report*, in a special report on the 1990's, predicted that the shortfall could be as high as 17.5 million by 1990.\(^7\)

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5. *Id.* at 1781.


My reservations about these predictions—if present trends are continued—obviously means that I believe that we have it in our power as a nation to prevent such shortfalls: We can adopt a National Industrial Policy designed to promote full employment; adopt an International Trade Policy designed to maintain that full employment; develop education and training policies which will supplement those policies; and return to the concept that the federal government, in the words of the Papal Encyclical, is the "Indirect Employer" with a responsibility to manage the economy to insure that it is at the service of man, not vice versa. And all of this is possible with a change of administration—but that is another speech.

But if we do not do these things, if we tolerate and accept the shortfall, we will see the destruction of our wage base, the elimination of good mid-level jobs which have been the strength of our economy, and their continuing replacement by minimum wage jobs—a process that would take us half way down the road to being truly competitive with Brazil, Taiwan and Hong Kong, and half way down the road to the adoption of their standards of living as well.

For the labor movement, then, what challenges are ahead? First, we must change the labor laws at state and national levels, in both the public and private sector, to make them fully responsive to workers' needs and fully protective of workers' rights to organize. Surely, one question posed in today's program—"Is there a need to amend the NLRA?"—is rhetorical. The question really is whether to amend the statute or repeal it and create a whole new law. Second, we must adapt our trade union structure to shift resources and organizing strategies and techniques to the new occupations, the new geographic areas and the new industries. Third, we must find ways to improve the public perception of the trade union movement. Finally, with a combination of these changes, we must reverse the trend and become once again a larger and growing force in American life.

I note that USA Today reported yesterday the prediction of the California-based Institute for the Future that "unions will grow as organizing becomes more effective inside new conglomerates," and that the union share of the workforce will increase to twenty-six percent by 1995.8 That would mean an increase to thirty-three million members, enough to gladden every organizer's heart. I am not prepared to make such estimates, but I do not think they are unreasonable if changes take place.

With respect to negotiating, the challenge will be to maintain bargaining strength in the face of advancing technology, high unem-

ployment, a slack labor market and increasing offshore competition. Naturally, if we address our industrial and trade policy problems, these negotiating problems will be eased. Even so, in the face of increasing technology and an increasing number of conglomerates with diverse investments, the strength of our strike weapon will need to be reexamined. To be effective, its range will probably have to be broadened in order to be brought to bear simultaneously against the several divisions of a conglomerate or against industry segments or areas.

What the Greyhound strike taught us is that it is not possible to exert real pressure against one division of a conglomerate operated by a chief executive officer who is willing to sacrifice that division, sell it off or lose it, and reinvest his cash in another division. I think that fact will require more coordination in bargaining across industrial sectors.

Moreover, the increasing internationalization of financing and finances—the growing "globalism"—will surely require coordination in a variety of ways across national borders, probably through the strengthening of the International Trade Secretariats for bargaining and joint actions. Similarly, we will have to find and refine the ways in which we can use our economic power, not just strikes and boycotts, but a whole range of corporate campaign strategies, to affect the corporations at different levels. This would include developing strategies that will enable us to utilize the substantial worker interest in pension fund assets to affect bargaining outcomes.

The challenges ahead in bargaining issues surely include issues you are discussing today: "The Rights of Individual Workers," not just in the context of employment at will, but in the extension of that doctrine to the worker's ownership interest in his or her job and the consequent inability of an employer permanently to replace such an employee in the event of a strike, and "Comparable Worth," which will be fought out at the bargaining table as well as in the courts. Other bargaining issues will include quality-of-worklife, productivity, worker participation, worker ownership and worker management, as well as the more traditional economic and dignity issues.

One important bargaining issue that will arise in healthy industries—and in sick industries as soon as they get well—is the reduction of hours of work. It is now nearly fifty years since the last hours movement, and given the shrinking total work available, our unions will move to shorter hours without reduction of wages as soon as economic conditions make it possible.

The special challenge ahead for the labor movement is in the political arena. The challenge will be, I am confident, in handling success and maintaining solidarity. We have now entered almost fully into the processes of the Democratic Party in search of a voice in candidate selection and to help sustain the vitality and strength of that party. The challenge will be to maintain the necessary degree of separation.
to insure our freedom of action outside that party and to resist the calls for a labor party or other third party.

A Democratic victory in 1984 will go a long way toward easing this challenge, and the solidarity that has grown in our movement during the last three years of our involvement in the political process will surely be reflected in all of our other activities.

So there you have it: Our role—grounded in a still valid philosophy and in a set of values in full accord with the moral precepts of our nation and of this great university and its religious inspiration.

Our challenge—fully met by a vibrant and dynamic trade union movement, born in struggle and reborn and revitalized in its second hundred years, reshaped, modernized and united.
REMARKS OF A.H. RASKIN*

The fastest growing union in the United States, bar none, is the Amalgamated Association of Entrail Readers, Crepe Hangers and Necromancers. Its card carriers are kept fully employed by cataloguing the maladies that afflict organized labor and solemnly concluding that its demise is both inescapable and imminent. Tom Donahue and many others among my good friends in the upper echelon of labor are wont to put me well up front in that parade of pallbearers on the basis of things I write from time to time about the troubles that beset many unions.

On that basis I consider it important to start right off in my comments today by declaring with all the earnestness at my command that I think it would be a tragedy of monumental dimensions for every one of us if the trade union movement did indeed disappear. I have always believed that a vibrant, principled and purposeful labor movement is an indispensable element in the fabric of American democracy, both as a champion of the interests of wage earners and as a social counterweight to the power of business and finance. Never has the need for a dynamic labor movement of that kind been greater than in these days of gigantic multinational corporations that skip nimbly around the globe controlling the lifestream of whole communities or regions by their decisions on where to locate or liquidate their facilities. Their lodestar in all such decisions never flickers: It is the impact on the consolidated profit-and-loss account, the bottom line.

Unfortunately, it is ostrich-like to pretend that organized labor possesses at this stage in its history anything like the strength or vibrancy required to insure that people get at least as much consideration as money does in these determinations by the titans of industry. The symptoms of labor's weakness are all too familiar: Only one worker out of every five in the labor force belongs to a union, and the ratio has been going down ever since the merger of the American Federation of Labor and the Congress of Industrial Organizations back in 1955—a merger that both of these erstwhile rivals hoped would unleash a vast surge of new organizing akin to that which brought millions of workers cascading into union ranks in the early years of the New Deal.

This long slide in labor's ability to attract new members, except in such fields of conspicuous organizational progress as the civil service and health care, has encouraged many employers to abandon the civility that prevailed on a broad scale in the 1960's and 1970's and to

go for the jugular in their relations with unions. This combative spirit has been especially prevalent in industries beset by competitive pressures born of imports, deregulation or the emergence of new products, processes and managerial methods, and by the rapid spread of non-union operations in such fields as construction, transportation and steel.

In the years of this country's industrial dominance, when companies felt there was no tomorrow in their ability to relay the cost of higher wages to the consumer in the form of higher prices, unions called strikes with little worry that employers would even attempt to operate. In the industry-wide steel strike of 1959, a half-million unionists stayed out for 116 days and would have gone out all over again at the end of an eighty-day national emergency injunction had the industry not caved in its demand for a unilateral right to abolish archaic work rules. Yet through all the weeks in which rust was consuming the blast furnaces and open hearths, the union's confidence that the mills would stay shut was so complete that no human pickets patrolled outside many huge plants. A picket sign tied to a metal drum at the mill gate was all the notice required to get the "keep out" message across.

That is not the way things are today. The example President Reagan set in the summer of 1981, when he fired 11,500 striking Federal air traffic controllers and smashed their union to the accompaniment of widespread public applause, has encouraged many employers to keep their plants and offices open in the face of strikes. There is no paucity of scabs available from the despairing ranks of the unemployed; hunger is a powerful ally of the union buster.

Labor's hopes for succor through the machinery for union protection established under the National Labor Relations Board have been torpedoed by the President's practice of packing both the Board and the Labor Department with appointees whom the unions have every good reason to consider flagrantly biased. Lane Kirkland, normally the most temperate of men, has become so distrustful of the adequacy of the governmental remedies at labor's disposal and of the good faith of the officials in charge of their administration that he has taken to suggesting publicly that unions would be better off if all the labor laws were repealed and the "law of the jungle" were reestablished in relations between labor and management. Despite such statements, no one who knows Kirkland would think for a moment that this eminently sober and responsible trade unionist actually wants to see such a prescription for chaos adopted; his enunciation of the idea is simply symptomatic of the feelings of frustration that abound in labor.

I have no desire to extend this jeremiad, but before turning to my own thoughts on roads it might be well to travel if labor-management affairs are to move in a more constructive direction, there is one aspect of the existing situation that requires discussion. I refer to the demand
now being made by many, if not most, employers that new contracts provide drastic cuts in starting rates for newly hired employees while those already on the payroll continue to get pay increases on a business-as-usual basis. Unlike givebacks, plant closings and runaway jobs, the issue of lower starting rates has received little general attention up to now and yet may be most important in its implications among all the adjustments that have come out of the recent upheavals in the economy.

For companies under intense competitive pressure or in declining industries, some form of wage relief is often imperative if they are to stay in business. That is especially true in places where pay scales were allowed in the years of plenty to push up to levels double or triple those that prevailed in such laggard fields as garment manufacture, textiles, retail stores, hotels, laundries and fast-food establishments. Asking people who are currently on the payroll to take a cut is painful, even in extremis. It is a lot easier to pass the burden of sacrifice on to the next generation in the work force by establishing a two-tier system of wages within the company. This form of adjustment has the further virtue in terms of in-plant morale of taking the union leader, always conscious of his vulnerability to becoming an ex-leader in the next union election, off the spot of having to recommend to his dues-payers that they pull their belts tighter after having become accustomed to their existing standard of living.

The continuing high levels of unemployment assure a plentiful supply of job applicants prepared to work at cut rates. But bringing in new workers to do the same job in the same plant with older employees, while getting a wage twenty-five to fifty percent lower, is not only inequitable on its face but strikes at what is perhaps the most fundamental of a union’s reasons for being. The standardization of wage rates—equal pay for equal work—has always been at the heart of a union’s function, both within an enterprise and among competing companies in the same industry. The objective, of course, is to obtain equity for workers and at the same time to remove differentials in labor costs as an element whereby employers seek an edge over their business rivals.

The exigencies of the market place have made employers increasingly intolerant of this rationale. The settlement of the seven-week strike of Greyhound bus employees calls for new workers to come in at rates twenty to twenty-five percent below those under the old contract. The slash for new employees is triple the 7.8% reduction the union had to swallow for old employees. At Briggs & Stratton, an automotive parts supplier in Milwaukee, a three-month strike ended last November with a pact that dropped the wage rate for new hires from $7.36 an hour to $5.

At Boeing Aircraft a month earlier, management banked successfully on the eagerness of old employees to salt away immediate pay increases as the bait on which the company could count for ratifica-
tion of a contract sharply cutting scales for "unborn" plane makers. The negotiating committee for the International Association of Machinists refused to recommend the pact to their 26,000 members, but that did not prevent its ratification by a three-to-one margin. New employees will come to work at Boeing at wages as much as 40 percent lower than those under the old scale. For those already inside the protected circle of jobholders, the three-year contract provides regular increases each year, a lump-sum productivity bonus and other improvements.

What we are setting up through such arrangements is a war between the ins and the outs, the young and the old, a built-in unfairness in the wage structure. This year we are sure to see pressure from many employers in relatively prosperous industries as well as from those in acute distress to rein in future labor expense by adopting a two-tier wage structure. Unions rightly caution that over the long haul, the price of such attempts to build a permanent wall of discrimination in pay standards between old and new employees is bound to be high in generational conflict within the workplace. The adverse impact on productivity may more than wipe out the anticipated savings in the labor bill. Regrettably, such an outcome is only one manifestation of conflict in the battle over entitlements and sacrifices that will affect seniority systems and public and private pension systems as well as wage rates. The rest of this century will see a bitter and steadily intensifying battle between young and old workers over who is standing in whose way—a battle that will challenge in the most aggravating and divisive way the solidarity of the labor movement and the capacity for statesmanship of its leaders.

If labor is to fulfill in the 1980's and 1990's the mission that so distinctively belongs to it of strengthening the American economy and our fidelity to democratic values, unions will have to reassess the approaches they take in dealing with their own rank and file as well as those they take to industry and government. No address by labor to the larger problems of our society can be persuasive unless the movement has a much more solid foundation than it does now in the esteem of its members and of the vastly greater number of workers who ought to be members but are not.

The bonds linking many of those with union cards to their own organizations are paper thin. This is a fact of life that union chiefs are understandably reluctant to acknowledge, much less face. Indeed, Lane Kirkland launched the most venturesome and by all odds the most successful initiative of his first three years as "Mister Labor"—the staging of Solidarity Day in Washington in 1981—principally out of resentment over a statement by President Reagan a month after he entered the White House suggesting that labor's leaders were out of touch and out of tune with their members.
The response to Kirkland's call for a mass outpouring of unionists and their allies to protest the callousness of Reagan's "soak the poor" policies was doubly impressive because it represented such a departure from the gospel as laid down by "Saint" George Meany that labor should shun anything that smelled of taking to the streets of the capital as a way of coercing government into abandoning regressive policies. Kirkland's magnificent demonstration provided dramatic proof that labor did have a mass constituency for which it spoke in deriding Reaganomics. But it did not gainsay the reality that countless workers pay dues only in order to hold their jobs under union shop contracts, and that many more are divorced from any sense of genuine involvement in their organizations.

It would be strange, indeed, if that were not the case in this cynical era when all institutions are under challenge. The legacy of Vietnam, Watergate, Abscam and a thousand lesser scandals has led to a widespread conviction that nothing is "on the level" in public life—governmental, judicial, corporate or union. This is a period of volcanic change in the workplace and in society. For all that we hear about the basic conservatism of the American people and the political importance of staying in the centrist mainstream, we find individual lifestyles and thought patterns shifting in ways that can only be described as dizzying.

Workers today are better educated and more inclined to question than ever before, and they find the traditionalist practices of their unions hard to identify with. The notions that unions are locked in a deathless struggle with the bosses and that the one-party system—meaning the exaltation and self-perpetuation of the guys who are in union office—is the only right political structure for labor, do not register as holy writ with many new-breed skeptics in unionism. They don't like paramilitary lines of command in the workplace; they resent them even more in organizations born to give workers a voice and dignity.

The alienation felt by many rank-and-file is fed by disappointment over the meager yield of contract negotiations in these twilight days of the smokestack industries and by the multiple woes that plague many unions. No matter how often union leaders dig through archives to come up with proof that Samuel Gompers was not just talking about money when he said labor's objective was "more," they find that the ability to deliver what Jimmy Hoffa used to call "the highest buck" to the dues-payers has always been the cornerstone of successful unionism.

Walter Reuther used to talk about the bigger slices everyone could get out of an ever-expanding national economic pie, but it came to the same thing that Hoffa was talking about. How potent an instrument of revolt retreats on the wage front can be in even the least democratic and most fear-ridden of unions was demonstrated last September.
when rank-and-file truck drivers repudiated, by a seven-to-one mar-
gin, a concessionary master contract urged on them by Jackie Presser,
the high-powered huckster, who currently wields the scepter once
brandished by Hoffa as president of the International Brotherhood of
Teamsters.

The fragility of the bonds of solidarity that hold the movement
together was graphically illustrated when not one of the airline unions
respected the picket lines established by the Professional Air Traffic
Controllers Organization (PATCO) in the strike that led to its annihi-
lation as a union by President Reagan. That failure of the rest of labor
to close ranks behind PATCO in anything more than a conversational
way has contributed to the sense so rampant among hard-liners in
industry that unions are over the hill and ripe for the taking.

That is why, in my view, the first and most urgent task for labor is a
reexamination and redefinition of its purpose in light of the challenges
of the 1980's, and then a reconstitution of unions in ways that make
the membership feel that the union is genuinely their organization,
responsive to their interests and their will. That same effort will
provide a long head start toward meeting the second paramount
challenge—organizing the unorganized. Techniques and slogans car-
rried over from the 1930's are never going to persuade today's workers
of the benefits of unionism, and the fact that these slogans are now
being copied on word processors and relayed to the field via satellite
does not make them any more credible or convincing.

My own judgment is that the necessary reorientation cannot be
made, on either the organizing or the bargaining front, unless the
initiative comes from the central federation, acting with the same
forcefulness and commitment it has just displayed in coordinating the
energies, resources and aspirations of all its affiliates on the political
front. The collective decision of the AFL-CIO's ninety-five interna-
tional unions to surrender to the parent organization the pivotal re-
sponsibility for strategy and action in this most crucial of Presidential
campaigns, and to do it before the first vote was cast in a state
primary or caucus, represented the latest in a long series of recogni-
tions by the haughty worshippers of tradition in command of major
unions that considerations of autonomy must take second place to the
larger needs of labor in the present period of economic, political and
social trial.

That recognition had been crucial in ending twenty years of civil
war within labor at the time of the 1955 merger. When corruption or
Jim Crow practices in individual unions threatened to bring discredit
to the entire movement, the feuding industrial and craft unionists
decided to pool their forces, writing into the AFL-CIO constitution a
broad grant of authority for intervention by the central body. That
power was invoked to expel the teamsters and other tainted unions
when they refused to rid themselves of racket domination.
The challenge we presently face is very different in nature but even more compelling in urgency. New economic realities make it impossible for unions to function on a basis by which each organization looks out for itself and the devil take the hindmost. Interdependence makes it necessary to reassert solidarity in a way that alters the whole framework of relationships within the movement as well as with employers. The shift has to be away from the adversarial stance of yore toward a cooperative industrial society based on democratic values and an equitable sharing of gains and sacrifices.

I do not underestimate the obstacles to such a shift, which is precisely why I feel the federation must be the catalytic agency in bringing it about. “Hate the Boss” sentiments are deeply ingrained in the workplace, and unions can scarcely be faulted for hesitancy in combatting them when so many employers are openly engaged these days in attempts to reestablish absolutism by keeping unions out. But the need for active enlistment by workers and their unions in the effort to make their companies more competitive is so compelling that labor will cut its own throat if it fails to take the lead in promoting a transformation of attitudes that looks toward an enduring, good-faith partnership with the responsible elements in industry.

The reality is that in many fields we are well into a period in which bargaining will have to be enterprise-oriented if companies are to survive. Changing market pressures and the investment requirements engendered by drastically enhanced technology mean the demise of economy-wide and industry-wide patterns of rising wages and benefits, a painful adjustment for workers in industries that, since V-J Day, were in the vanguard of the wage parade. Now that the economy is well advanced toward recovery for business generally, the response to further belt-tightening is becoming as negative among unionists in the sick industries as it is among those in industries with healthy profits.

In the absence of action by the central federation to win consensus on a new institutional approach, conscientious union leaders bent on realistic accommodations will find themselves vulnerable to demagogic attacks when the wages of their members lag significantly behind those of other unionists with whom they had always moved in tandem toward the promised land. The cost will be great—in wildcat strikes, shattered employee morale, low productivity and intensified management hostility toward unions—unless the federation acts.

The pivotal thing that I have felt the federation should have started doing long ago is to endorse in positive fashion what is already a promising movement toward injecting more democracy into industry by giving workers a more assertive voice in all the decisions that affect their jobs. Call it quality of worklife, employee involvement, worker participation, joint production teams—the name and form are unimportant. The important thing is the acceptance by both union and
management of the notion that the whole climate and culture of the enterprise must change in a manner that makes real to the workers a sense that they are recognized and respected as adults with brains and worthwhile ideas to contribute, not as barely animate appendages to the assembly line or typist pool awaiting replacement by less troublesome, more efficient robots.

I would have thought that promoting such a concept was the very essence of sound trade unionism, a movement built on increasing the dignity of the human condition as well as elevating economic rewards. But the truth is that the labor movement has viewed the experiments in quality of worklife with utmost suspicion and even now gives most of them only grudging support. The result of this foot-dragging and outright coldness on the part of the great mass of union leaders has been to hand anti-union employers a golden opportunity to move into the vacuum and set up teamwork operations of their own as a shield against unionism. They tell the workers: “See, I, the boss, appreciate you. I recognize you as a real person capable of useful thoughts on how we could do things better around here, not like those union characters whose only interest is in collecting dues and running your lives their way.”

How much wiser it is for unions to make themselves crusaders for democratically conceived and executed programs that call for shared authority and equitable distribution of gains in the workplace—instead of letting unionbusters take over the franchise by default—is illustrated by a look at some of the successful programs now in operation at Ford and General Motors (GM). The United Auto Workers (UAW), largely through the social vision of such leaders as Doug Fraser, Irving Bluestone and Don Ephlin, has been fully involved in the Ford and GM programs from day one.

The extent to which the cooperative spirit has taken hold in these experiments was highlighted in a mid-December joint announcement at GM of what I would classify as the ultimate in worker involvement: A teaming-up by management and labor, from drawing board to final assembly, on a brand-new concept in cars. It involves nothing less than a joining of hands and intellect to break Japan’s dominance in the subcompact car market by proving that the United States can build a small car that will, in the words of the joint union-company statement, be “highly competitive in cost, quality and consumer value.” This so-called Saturn project will have a steering committee made up of equal membership from GM and the union, and the pattern of total involvement of workers and the UAW in decision-making will carry through every phase of planning, manufacture and assembly.

The project is especially heartening because its unveiling coincided with the approval by the Federal Trade Commission of GM’s controversial joint venture with Toyota, under which the Japanese company will build 200,000 subcompacts a year in an old GM plant in Fre-
mont, California, to be sold under the Chevrolet emblem. The project was bitterly opposed by Ford and Chrysler as an anti-competitive gesture that all but surrenders the American small car market to the Japanese. The UAW itself was all set to fight the venture until former Secretary of Labor W.J. Usery, Jr., acting at the instigation of management, mediated a deal under which displaced GM workers at Fremont will be the mainstay of the new work force and the UAW will have an inside track for recognition as sole bargaining agent. Now Ford is throwing in the towel by making plans of its own to invest close to a half-billion dollars in a new small car plant in Mexico. More power then to the Saturn project, and to the space-age concept of industrial relations on which management and union are counting to put it in orbit. It is the only hope for United States competitiveness in this field.

Another place where the benefits of employee involvement are conspicuously in evidence is the Ford transmission plant in Sharonville, Ohio. It ranked next to last in quality among all Ford production facilities a couple of years ago when both labor and management concluded that Sharonville would go under unless attitudes changed all around. A sixty percent improvement in quality has now been recorded and grievances have declined from over 500 to almost zero. Jim Miller, chairman of the local union’s bargaining committee, sums up the change in a single crisp sentence: “Give a person on the line a feeling he’s wanted, and he’ll give you 100%.”

There are also encouraging instances of the dividends of cooperation outside the auto industry. Eastern Airlines and its unions rescued the carrier from bankruptcy last fall by deciding that trust made more sense than warfare. Bill Usery proved a helpful middle man at Eastern, just as he had in the confrontation over the GM-Toyota joint venture. An independent auditor was brought in to convince the skeptical unions of the genuineness of Eastern’s financial squeeze and a climate of cooperation was established where all had been animosity. Now the 37,000 Eastern employees are on their way to becoming owners of twenty-five percent of the company and securing four seats on its twenty-one-member board of directors.

In exchange, the employees will give up for this year eighteen to twenty-two percent of their normal pay, but they will have access to every type of confidential financial information including plans for major capital outlays and expansion of subsidiaries and affiliates. If the unions believe that any of these spending plans are “not in the best overall interest of Eastern,” they have the right to carry their objections to the board for consideration before any final decision is made. If all this makes it sound as if Frank Borman is turning Eastern into a socialist cooperative on the model of an Israeli kibbutz, let me note that Wall Street’s reaction to the peace pact was enthusiastic. The company’s sixty major lenders signaled their approval in the most
tangible way: They gave Eastern more time in which to pay its $1.8 billion in long-term debt.

Another hopeful sign of progress toward amity in industrial relations came as 1983 melded into 1984. It took the form of the hoisting of a truce flag by Litton Industries in what had threatened to become as protracted a union-company siege as the one in which an armistice was reached in 1980 at J.P. Stevens & Co. The AFL-CIO had proclaimed a boycott against Litton to protest the multifariousness of its labor law violations. Everything seemed set for a bruising conflict, replete with exercise of pension power to isolate Litton from the rest of the business community. To everybody’s relief, Litton’s chairman defused the situation by proposing the establishment of a joint fact-finding committee, with an impartial chairman, to explore how bargaining between the conglomerate and its unions could be improved and how they could work together to spur productivity. The unions have leaped at the offer.

The really important advances through quality-of-worklife programs have been in the abolition of special privileges and of command structures more appropriate to an army than to an enterprise whose prosperity depends on community of effort. Executive parking spaces and johns have disappeared in many places, along with time clocks and other badges of servitude. Workers have even been empowered to stop the assembly line, that ultimate symbol of dehumanization, when they detect a condition menacing to quality or safety. Autonomous work teams rotate the foreman’s function. And the partnership idea is carried into profit-sharing systems and employee stock ownership plans that provide a sensible avenue away from the invidious kind of wage differentials embodied in two-tier wage systems.

Flexibility is the key to competitiveness and job satisfaction alike, whether applied to wage structures, fringe benefits, work schedules or mobility in job assignments. Healthy accommodations are easiest to obtain and most successful in practice when the worker is convinced that he has a direct stake in the company’s prosperity—doing well when the company does well, less well when it does poorly. That was brought home to me on a recent visit to Hyatt Clark Industries, an employee-owned company, just across the Hudson River in Clark, New Jersey.

Hyatt Clark used to be a unit in the Hyatt-New Departure roller-bearing division of General Motors, which GM decided to close four years ago in large measure because its record for productivity and quality was so bad. The UAW local and the plant supervisors at Clark got together on an employee buy-out plan: the workers took a twenty-five percent pay cut; work rules were revised in the interest of efficiency; worker representatives sat in on planning sessions at every level up through the board of directors; and, a bonus system was instituted to give everyone extra earnings when profits were recorded.
GM was so impressed that it assured the plant of enough business to keep it going for at least three years. The plant is now trying to build up a backlog of orders that will free it from dependence on its old parent. One worker I talked to when I was there a few months ago was a former Marine sergeant who had come to the plant as a laborer ten years ago and is now a top-rated machine setter. He said: “This is the future, believe me. Sharing is caring. Now when I go through the plant and see something wrong, I don’t say, ‘That’s not your job.’ Every job is my job if a machine’s jamming up costs me money.”

What is entailed in successful ventures of this kind—whether employee-owned or conventional—is an acceptance, through the full sweep of the management and union hierarchy, of the notion that they are embarked on a new corporate way of life that must permeate everything they do. This is no small thing if it is to have credibility. It requires a wrenching readjustment that alters the internal culture of the company, from the mind-set of the board chairman and company president on down, and that demands parallel revisions of attitude, both adversarial and authoritarian, by everyone on the union side.

I recognize that there are so many carry-overs from the Paleozoic era of human relations in both camps that progress is bound to be uneven, but the muscle flexers must not be allowed to win—or we will all lose. Any clumsy misstep on either side strikes at the fabric of trust that must underpin such programs. This is especially true when plant closings are ordered without advance notice or work is shipped overseas or facilities are pitted against one another in a dog-eat-dog scramble for jobs based on which contender gives up the most in the way of worker benefits and protection. The same is true of corporate mergers that have more to do with stock market speculation than productive worth and that leave workers, who were told yesterday that they were “partners” in Corporation X, exposed to sudden death as surplus because their unit can’t cut the mustard in terms of profit expectations insisted on by its new lord and master, Conglomerate Y.

Difficult as are the hurdles to be overcome, the stakes are too high to permit neglect of the promising road which quality of worklife offers toward restoration of America’s industrial competitiveness. A summit conference within labor followed up by a similar top-level congress of industry and labor is badly needed to provide the essential impetus. At the moment, I must confess, this is a visionary proposal, but I do not despair of affirmative movement at some point. In Lane Kirkland, organized labor has a leader whose mind is among the most luminous in public life and whose reasonableness and capacity for conciliation have been repeatedly demonstrated inside and outside labor. I shall forbear saying the same of the eminent New York unionist with whom I share this platform because I know him to be a person of almost obsessive modesty. Under their pilotage I am confident labor has a future of benefit to us all.