

Edited by A V Jose

ILS Organized Labour in the 21st Century

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International Institute for Labour Studies Geneve

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International Institute for Labour Studies Geneva

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Preface

The last quarter of the twentieth century was a period of profound social and economic transformation which has far-reaching implications for organized labour. In many countries, the numerical strength of unions declined, and the viability of labour market institutions, which unions helped establish, has been called into question. Globalization and its ramifications present a formidable challenge which requires new approaches and strategies on the part of the labour movement if it is to remain a major actor influencing social policy.

The International Labour Organization has an obvious interest in these developments. It is especially concerned with the ways in which trade unions, a pillar of the Organization, have responded to challenges arising from globalization. Early in 1998, the International Institute for Labour Studies launched a project entitled "Organized Labour in the 21st Century", designed to highlight the role of the trade union movement in contributing to dynamic social policy and equitable growth. The project addressed three major issues: the changing environment of labour and unions; trade union responses to these changes; and future perspectives for labour in society and in the global economy.

The project was launched in collaboration with major international trade union organizations and the ILO Bureau for Workers' Activities. Activities were organized on two tracks: an electronic network linking trade union practitioners with academics and the ILO; and comparative research on union responses and strategies in different countries.

The electronic network was originally established to elicit views from both union practitioners and labour specialists and to provide a forum for dialogue between the ILO, working people and the academic community. The network developed into an on-line conference, a unique experiment which enabled its members to build links with each other and exchange ideas on the future of the labour movement. This process revealed widespread concern and interest in revitalizing the labour movement. The Institute has prepared a number of reports based on the themes and proceedings of the on-line conference. These reports, along with an anthology of the main contributions by the conference participants, have been posted on the Institute web-site (www.ilo.org/public/english/bureau/inst/project/labns.htm).

Comparative research was also organized within the framework of structured case studies on "Trade union responses to globalization". The studies were conducted by noted academics in 15 countries: Brazil, Canada, Chile, Ghana, India, Israel, Japan, Republic of Korea, Lithuania, Niger, South

Africa, Spain, Sweden, Tunisia and USA. The studies have been published in different languages as Discussion Papers of the Institute and posted on the Institute web-site.

The on-line conference and the case studies together have yielded several significant findings. They highlight the importance of organizational strategies to enable unions to exercise voice and influence policy. They reveal that the major challenge for unions in all countries, notably in developing countries, is the representation of non-traditional constituents and the provision of new services. They show that changes in the world of work and in social attitudes are leading to union alliances and coalitions with other civil society actors for common goals.

This volume presents a representative sample of the comparative research undertaken by the Institute. It includes selected country case studies on the theme "Trade union responses to globalization", edited and abridged to illustrate experiences drawn from three broad groups of countries: industrialized economies; middle-income countries; and developing nations.

It is our hope that these studies will generate wider understanding of the role and changing priorities of organized labour in countries at varying stages of development. More specifically, by stimulating greater reflection and analysis, we hope they will contribute to the formulation of effective policies and strategies for labour movements in the years ahead.

Padmanabha Gopinath
Director, International Institute for Labour Studies

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Reinventing the US labour movement, Inventing postindustrial prosperity: A progress report

Stephen Herzenberg

Introduction

Only 9.5 per cent of private sector workers in the United States now belong to labour unions. In the labour force as a whole, 14 per cent of workers are members of unions (Hirsch and MacPherson, 1999, pp. 11-12). This paper considers the response of the US labour movement to conditions that have brought union density down to the level recorded before the New Deal. The underlying issue is whether the labour movement could rebound in a way that would substantially raise union density and restore the movement's influence in US politics and society. The paper is premised on the idea that such a rebound is necessary to reverse the growth of economic inequality and to generate a higher quality of life for the majority of Americans.¹

In addition to the sources and documents cited, the paper draws on interviews with six top-level staff members at the labour federation to which most US unions belong (the American Federation of Labour-Congress of Industrial Organizations or AFL-CIO); it also draws on interviews with top elected officers or staff members at three of the largest and healthiest US unions (the American Federation of State, County, and Municipal Employees, the Communication Workers of America, and the Service Employees International Union). The paper is also informed by the author's observations as director of a state-level public policy think tank connected to both the world of labour and the world of research. This think tank has been an instructive point from which to view the way in which the programme of the "New Voice" administration of the AFL-CIO has been implemented since John Sweeney became its President in 1995.²

¹ For an extended analysis of the basis for these premises, see Herzenberg, Alic and Wial, 1999a. For shorter treatments, see Herzenberg, Alic and Wial, 1998 and Herzenberg, Alic and Wial, 1999b.

² The think tank, the Keystone Research Center, was created in 1996 in Pennsylvania at the initiative of state-level union officials concerned that progressives were losing the battle of ideas. The Center receives support from the Pennsylvania AFL-CIO as well as from a half-dozen affiliated labour unions.

The body of the paper divides into four sections. The first reviews the decline of the US labour movement and the second examines changes implemented at the national AFL-CIO under John Sweeney. The third section analyses restructuring at the three leading US unions and looks at some common themes in the restructuring efforts of these unions. The final section identifies a series of overarching challenges and sketches how the labour movement might reposition itself to regain a more central place in American society.

1. The US labour movement in crisis

The basic dilemma faced by trade unions is the need to simultaneously serve the interests of their members and be seen to serve the interests of society as a whole. From the 1940s to the 1970s, the movement solved this dilemma by playing several key roles within the US manufacturing-based economy. The wage increases negotiated in collective bargaining ensured that purchasing power kept pace with the economy's capacity to produce, avoiding the kind of under-consumption problems thought to have caused the Great Depression. Union work rules and grievance procedures gave protection against arbitrary treatment from autocratic factory supervisors. In the political sphere, unions were at the centre of a political coalition that counterbalanced corporate power; they fought for legislation that benefited working people generally, including a higher minimum wage and social insurance.

In 1945 and again in 1955, unions represented 35 per cent of US workers. From this peak, union density declined gradually at first as the result of a shift in employment to less unionized industries. After 1973, density began to fall in virtually every industry, including large-scale manufacturing. Employers contributed to this trend by investing heavily in avoiding unions. While many other countries consider that the decision to join a union is for workers to make without interference from employers, US employers have extensive rights to persuade workers not to join unions. Charges against employers for illegally violating workers' rights to organize have increased over time. Unfair labour practice charges against employers increased by 750 per cent from 1957 to 1980, while the number of union certification elections rose by less than 50 per cent (Weiler, 1983). Morris (1998) estimated that by the late 1990s one out of every 18 workers involved in an organizing campaign suffered discrimination for union activity.

In 1977 and 1978, a Congressional proposal to stiffen penalties for employer violations of worker freedom to organize died in the US Senate. After the election of President Ronald Reagan in 1980, a deep recession and an overvalued dollar brought a flood of manufactured imports and further

loss of union jobs. A wave of concession bargaining ensued in which unions gave up annual wage increases that had tied manufacturing workers' wages to the national rate of productivity growth since the late 1940s. In 1981, the Reagan Administration dismissed and replaced members of the striking union of air traffic controllers; this was seen as a sign that private employers would be given further leeway to challenge unions or become "union-free".

Thus by the 1980s, the post-war solution to the unions' basic dilemma had lost its power. Union density had fallen below a quarter of the workforce. In an economy with rising imports and lagging productivity growth, union wage increases and work rules were seen as contributing to inflation and making US products less competitive. As the economy shifted away from manufacturing, some people saw protection against arbitrary treatment on the job as less essential. And the post-war social democratic coalition had splintered, in part because of tensions between union members and the anti-war campaign and the civil rights movement. In its political activity as well as in bargaining situations, the labour movement was increasingly seen as just another special interest.

In response to these circumstances, some leading unions launched internal strategic planning exercises in the early 1980s. In 1984 the AFL-CIO as a whole formed a "Committee on the Evolution of Work" chaired by its Secretary Treasurer Thomas Donahue (AFL-CIO, 1985). In the labour federation, however, the report issued by the Committee did not generate major new initiatives. Energies refocused on representing current members, not on organizing new ones. While the number of workers voting in union representation elections exceeded 500,000 in every year but one from 1965 to 1979, the number fell to 200,000 in 1988 and 140,000 in 1995 (NLRB, 1998). The number of workers who voted in representation elections won by unions fell from 300,000 in the 1960s to 200,000 for most of the 1970s to 100,000 from 1985-95. Only those unions which win representation elections can negotiate or sign contracts with the employers. In many cases, moreover, workers in workplaces that voted for union representation often did not get a first contract.

After his 1992 election, President Clinton established a Commission on the Future of Labour- Management Relations, chaired by John Dunlop, a pro-labour Republican and former Ford Administration Secretary of Labour. The prospects that this Commission might broker meaningful changes in US labour law, however, quickly faded. Employers were in no mood to cut a deal. Nor were unions interested in trading away prohibitions on employer-sponsored consultative committees (so-called "company unions") in exchange for potentially ineffective increases in penalties for employer violations of workers' rights to organize unions. The Republican takeover of the US

Congress in 1994 dashed any lingering hopes that the Dunlop Commission would lead to changes in the law.

2. An accidentally radical change at the national AFL-CIO

President Clinton's successful campaign in support of the North American Free Trade Agreement (NAFTA) over the objections of the labour movement, and the Republican takeover of the US Congress in the 1994 national elections intensified the sense within the labour movement that it was time for a change. Leaders within affiliates that had continued to grow concluded that their long-term success depended on the movement as a whole regaining power. Islands of relative strength, such as the public sector and hospitals, would ultimately be swamped if the labour presence elsewhere in the economy continued its disappearing act.

A critical mass of leading affiliates seeking a change decided to run Sweeney against Kirkland in the October 1995 AFL-CIO presidential election. Sweeney, a New York labour leader with an Irish heritage, was then president of the Service Employees International Union (SEIU). SEIU is one of the few unions that has grown in membership since 1980.

Once it became clear to Kirkland that he would lose his bid for re-election, he agreed to step down in favour of Donahue. By now, however, it was too late for Donahue to be a consensus candidate. An energetic campaign then took place between Donahue and Sweeney—both originally from the same SEIU building services' local in New York.³

Sweeney's victory led to what one top staff person called an "accidentally radical" transition at the national AFL-CIO. The victory of an outside challenger led to new heads of virtually every major department within the reorganized AFL-CIO headquarters. According to an AFL-CIO staff member, a majority of current members of the AFL-CIO Executive Council have also come in since Sweeney took the reins. This is a consequence of an increase in the number of council seats approved after Sweeney took office and also of turnover among representatives from the Kirkland era.

2.1 Managing change

The AFL-CIO spans all industries. It was formed in 1955 by the merger of the craft-dominated AFL and the industrial union CIO. It is the only labour federation of any significance in the United States. Individual national unions (or "international" unions, to use the term common in the United States)

³ For Sweeney's own perspective on the events leading up to becoming AFL-CIO president, see Sweeney with Kusnet, 1996, pp. 88-96.

affiliate with the AFL-CIO at their own discretion. The AFL-CIO is thus structurally a weak federation that derives its power from that of the affiliated unions.

To his tenure at the head of the AFL-CIO, Sweeney brought two critical interrelated traditions from his management of the Service Employees International Union.⁴ The first was a tradition of hiring committed progressive staff members and allowing them to formulate innovative organizational strategies. While hiring staff remains a political balancing act at the national AFL-CIO, Sweeney's top two assistants and several other high-level staff members came over from SEIU. Several others were hired from the Amalgamated Clothing and Textile Workers' Union (since merged with the International Ladies Garment Workers Union), which had developed a reputation for effective organizing against difficult odds in southern textiles plants. In attracting staff to Washington, the Federation benefited initially from a perception that Sweeney's administration was the place to be – the nerve centre for an overdue attempt to revitalize the labour movement.

The second tradition brought over from SEIU is the use of strategic planning and other organizational development tools (such as membership surveys and focus groups) to develop organizational consensus around change. One of Sweeney's assistants asked: "How can any organization that is democratic build a consensus around change? How can it not find itself behind the pace of change, when the pace of change is so rapid at certain points in time?" Strategic planning has now become a basic tool of organizational management within the AFL-CIO as well as leading affiliates. Planning not only generates new ideas, but is also a vehicle for generating support for the strategies that emerge, the outlines of which may be clear at the outset.

We have tried to...help organizations do strategic planning in a formal way to develop a clear mission statement, goals, and clearly defined objectives. The value of that is important in terms of the public strategy and direction we develop. The more important value is the political consensus that you build using that process by engaging all the stakeholders in the organization...

The approach to managing change at AFL-CIO today is grounded in the experience of Sweeney's top management team when it came together to lead the SEIU. In the early 1980s, a network of activists in top staff positions in Washington-based unions, including Sweeney's top assistants, was struggling with the problem of unions and looked "high and low for people in academia

⁴ For an analysis of SEIU and its ability to respond more effectively than other unions to the pressures of the 1980s and 1990s, see Piore, 1994.

who thought about this". But most academics and consultants were unfamiliar with unions and unions were also reluctant to open up to outsiders.

With the help of a "pragmatic, low-key" labour educator, Wayne State's Hal Stack, who "got along with our leadership well", SEIU established a "Committee on the Future". Over several years, the committee polled SEIU members and conducted worksite visits. Out of this process, the SEIU reorganized into five industry divisions: building services (primarily janitorial workers), health care, public sector, manufacturing, and office work. Within these divisions, workers had common experiences that could serve as a basis for debate and decision making about union strategy. Within industry divisions natural leaders emerged more readily. These leaders were able to gather people around them and project a "vision" for the union; they were not representing a clique bound together by personal ties and loyalty.

Within the AFL-CIO, Sweeney has less power than he did as SEIU president to combine with persuasion and strategic planning in developing consensus. For example, Sweeney has little influence over the careers of affiliate officers, only a small amount of patronage in the form of AFL-CIO staff positions, and he cannot put affiliates in receivership. "You can get cooperation from affiliates through leadership or by moral suasion or by the brilliance of your arguments, but there's not a lot more you can do." In addition, since the federation spans all organized industries and occupations, no common experience is as readily available as that which sustains a common purpose within the industry divisions of SEIU. According to one source, the federation has been a place where unions protect their turf, not a place to define a common vision. To convey the difficulty of generating labour movement consensus, another staff member compared AFL-CIO to the United Nations. "A lot of what John Sweeney did in his first two years was sell the notion of a common destiny and the need to have a unity of focus and unity of purpose." This involves a battle against "a general belief that there wasn't really anything could be done. The normal formulation was that anything that could be done wasn't worth doing. Anything we can accomplish, won't change anything".

To jump start the political and the planning processes, AFL-CIO created a "Committee 2000," chaired by Sweeney, and consisting of 20 of the most powerful Executive Council members. With the support of Committee 2000, Sweeney and his staff have also reorganized and sought to make more effective use of other committees of the Executive Council.⁵ In SEIU,

⁵ The 1997 Convention expanded the authority of the AFL-CIO president, subject to Executive Council approval, to create new committees whose members are appointed by the president. See AFL-CIO, 1997, p. 95.

Sweeney's management team had often relied on committees as a more effective forum than the large and diverse Executive Board. Unlike SEIU's Executive Board, however, the full Executive Council is less inclined to trust the decisions of its committees. On major issues such as politics, organizing or AFL-CIO structure, getting consensus support at the Executive Council requires a painstaking process of vetting ideas with each member of the Council and with the staff of individual affiliates who deal with each subject.

One tool used by Committee 2000 to generate support for change has been a series of "union density exercises". AFL-CIO staff divided the US economy into "sectors" overlapping the jurisdictions of major unions (e.g. health care, hospitality, construction, durable manufacturing, education, etc.). By sector, AFL-CIO staff calculated total employment, union density, and the number of union and non-union workers at various points in time. They also documented the number of workers organized each year. Projections into the future showed that employment expansion would continue to be concentrated in sectors and geographical areas where union density is low. The union density exercises made an irrefutable case that business as usual would mean continued union density decline, in most sectors to below levels that enable unions to influence industry-wide standards, in some cases close to zero. The analysis also showed that huge numbers of non-union workers exist in every major sector of the US economy. There is no truth to the claim that manufacturing unions must organize public and service sector workers because there's no one left in their core jurisdiction to organize. Forced to confront reality at a gathering of their peers, many union leaders felt embarrassed. Generating such discomfort was one tactic for getting beyond business as usual.

2.2 Building power

A central message of the Sweeney administration is that, while the AFL-CIO headquarters in Washington had focused on "wielding power," the challenge now is to "build power". A major concern is to do this quickly, leveraging labour's current resources and economic and political power before they dwindle further.

As part of the effort to build power, the AFL-CIO has reorganized its internal departments and sought to coordinate different departments more effectively. All AFL-CIO field staff around the country are now part of the Field Mobilization Department (formerly Field Services). In the past, separate field operations dealt with Field Services and with election activity, the latter within the AFL-CIO's Committee on Political Education (COPE).

The AFL-CIO created a Corporate Affairs Department within national headquarters. The work of the Department is premised on the idea that

bargaining alone is not enough, given current levels of union density and the imbalance of power between labour and management. Unions have to try to change corporate behaviour by exercising influence wherever they can – via sourcing arrangements that link union and non-union companies, in financial markets, through the use of union pension monies, in the regulatory sphere, in politics. Through such interventions, the Department seeks to make it harder for corporations to pursue low-wage (or “low road”) strategies and make it easier for them to pursue higher-wage (or “high road”) strategies that develop and utilize workers’ capacities.

The activities of the Corporate Affairs Department include strategic analysis of corporations and industries. The analysis may be used in devising organizing plans or to find leverage points with particular corporations in the context of bargaining or organizing. The Corporate Affairs Department also oversees the activities of two independent, non-profit organizations supported by outside foundations and government funds in addition to dues dollars.

One of these organizations, the Working for America Institute (WFAI), coordinates labour’s participation in efforts to strengthen the US skill development infrastructure and to promote work reorganization and industrial modernization consistent with a high road economic development path. The predecessor of WFAI, a Human Resources Development Institute founded in the late 1960s, operated fairly independently of the core activities of the Federation. Reinventing HRDI as the WFAI illustrates the attempt to address skill building and work organization as part of an overall AFL-CIO strategy to change the way American firms do business. At present, WFAI provides technical support to a growing number of efforts across the United States to build multi-employer labour/management training partnerships.⁶ The WFAI also fosters the creation of a “high road network” that brings together labour leaders and researchers engaged at the grassroots with efforts to transform the development path of regional industries. Support for training partnerships is premised on the idea that individual firms, acting alone, under-invest in general skills because they cannot capture all the benefits of their investment. In addition, increased career mobility across firms creates a need for more inter-firm labour market coordination and transparency. Labour/management training partnerships can help solve coordination and under-investment problems. By providing employers with critical skills and relieving them of some responsibility for employment security, partnerships could also lessen employer antagonism to unions. The high road network

⁶ For examples of such partnerships, see Herzenberg, Alic and Wial 1998a, Chapter 7; and Parker and Rogers, 1996.

could help meet the long-term need for a critical mass of leaders who see the “high road” as a real institutional alternative, not just a catch phrase.

The second non-profit organization linked with the Corporate Affairs Department is the Centre for Working Capital (CWC), which intervenes in financial markets to change corporate behaviour. The pension funds, employee stock ownership plans and savings plans of unionized workers amount to over \$7 trillion, about a quarter of the net worth of publicly traded US corporations. The Centre for Working Capital seeks to ensure that this money works to raise living standards, not lower them. The Centre conducts training for pension fund trustees and uses pension funds to support shareholder activism to influence corporate management. Another strategy that is under consideration, drawing on experience in Quebec, is the establishment of regional “solidarity funds” that would invest workers’ financial resources directly in high road strategies.

2.3 Reviving the federation at local level: Union Cities

Another major initiative of the New Voice Administration has been to energize central labour councils (CLCs). There are approximately 600 CLCs, which are the most local body of the AFL-CIO.⁷ CLCs are funded through a per-member tax from unions in their geographic jurisdiction. The decision of area unions to affiliate with the local CLC is separate from the decision of the state level and national structures to affiliate with state federations of labour and the national AFL-CIO. (Thus, for example, the major trucking union, International Brotherhood of Teamsters, is an affiliate of the national AFL-CIO but not of the Pennsylvania AFL-CIO. The Teamsters are affiliates of some Pennsylvania CLCs but not others.) On average, AFL-CIO affiliates pay-per-member fees to CLCs on about 55 per cent of their membership. CLCs are constitutionally mandated to provide support for each union in organizing and bargaining, as well as to work collectively on politics.

Dating back to the 1890s American Federation of Labour, CLCs have had only a single vote within the AFL or AFL-CIO structure, while national unions have the same number of votes as they have (paying) members. In addition, CLCs were often moribund in the decades after 1945. Power in that prosperous era lay with the industrial unions and bargaining with major manufacturing firms was centralized at national level.

By the early 1990s, however, central labour councils in such places as Atlanta, Cincinnati, Ithaca, Milwaukee, San Jose and Seattle, had begun to

⁷ The AFL-CIO web page reports that 614 Central Labour Councils existed as of 1996. The number is slightly smaller now because of mergers of some councils.

reinvent themselves in response to labour's decline. CLCs in these cities sought to rebuild the power of the local labour movement rather than just serve affiliated local unions and endorse political candidates. Activist CLCs built alliances between community and labour groups to protect both union and non-union workers. They sought funding from foundations (e.g. to create labour market intermediary organizations that provide training, career counselling, and job matching to workers), used ties with community and religious groups to pressure employers not to violate workers' organizing rights, and conditioned support for local political candidates on concrete commitments that facilitate organizing.⁸ In 1994, before Sweeney's election, a group of activist councils met in Las Vegas. The experience of these councils suggested that CLCs might be a possible breeding ground for a new generation of activists (Ness, 1998). While CLCs had often been dominated by "old boy networks", CLCs' low profile might make it easier for a new, more demographically diverse generation to rise to leadership than it would be within individual affiliates. CLCs might also provide an arena for "acting locally" that would give the labour movement a more direct connection to the daily lives and concerns of its members and the community.

Economic research also suggests that metropolitan areas and regional economies are critical venues for the overall effort to "block the low road" and "pave the high road". According to this research, much of it rooted in analyses of manufacturing, egalitarian growth depends on creating a web of local and regional institutions. In non-mobile service industries, too, metropolitan and regional institutions – area-wide unions, training institutions, portable credentials and career ladders – appear essential to promoting good jobs and high quality and service (Herzenberg, Alic and Wial, 1998, especially Chapter 7). As of the mid-1990s, however, no regional political actor had emerged to develop a blueprint for the high road in local economies and start implementing the blueprint. Labour, and other elements of the more progressive half of the US political spectrum, had remained in a defensive posture. According to Bruce Colburn, President of the Milwaukee CLC, "We knew what we were opposed to in this economy, but we didn't always know what we were for" (Eimer, 1999, p. 73). University of Wisconsin Professor Joel Rogers argued that CLCs were natural vehicles for promoting the political alliances and institutional interventions in the economy necessary to reverse the growth of inequality (Rogers, 1994).

⁸ For an analysis of some of the activities of "transformative" CLCs and how they differ from "conventional" CLCs, see Gapasin and Wial 1997. Before becoming a labour educator, Gapasin was secretary treasurer of the South Bay Labour Council in San Jose, the heart of California's Silicon Valley.

In January 1996, the Sweeney administration created a labour council advisory committee “with the goal of persuading an ambivalent labour movement of the potential for expanding union power through the councils” (Ness, 1998, p. 82). In June 1996, the first national meeting of CLCs in Denver provided an opportunity for an open-ended discussion – with “not too many talking heads” – of “what CLCs should be doing”, informed by a presentation on what some of the most dynamic CLCs were already doing.⁹ In the wake of the meeting, the AFL-CIO announced the “Union Cities” programme.

To become a Union City, CLCs must engage in strategic planning. AFL-CIO field mobilization staff help facilitate these planning sessions, often with the help of area labour educators. Central labour councils must then pledge to pursue eight strategies for rebuilding the labour movement: recruit half the local unions in their community into the Changing to Organize programme and develop local organizing plans; recruit at least one per cent of union members for “street heat” mobilization in support of organizing and first contract campaigns; organize grassroots lobbying and political action committees; organize the community in support of high road economic development; sponsor “common sense economics” programmes to educate a majority of area unions about why working families have experienced economic decline; generate support from local authorities and political candidates for the “right to organize”; work to make CLCs mirror the diversity of area union members; and reach an annual membership growth rate of 3 per cent by the year 2000.

As of early 1999, 150 central labour councils in areas with 8 million union members had become Union Cities. Efforts to create a “network” of effective CLCs and CLC activists included a newsletter on Union Cities and four regional CLC meetings in May and June 1999.

Union Cities generated frustration among some local activists. They saw the new national leadership as outlining grand plans for labour movement revival without providing resources or technical assistance for implementation (Ness, 1998 and author’s observations in Pennsylvania). Efforts to expand the reach of central labour councils sometimes overstretched local leaders and unions who already bore the burden of activity not directly linked to individual unions’ self-interest. Many CLCs that have gained Union City designation have done so in name only, because of the political influence of area leaders, not because they have really begun to implement the eight strategies.

Even so, pressure and encouragement from the national level have expanded openings for local union leaders and activists who want to use

⁹ Fernando Gapasin facilitated a discussion based on Gapasin and Wial, 1977.

CLCs to transcend divisions between unions, raise the level of mobilization, and begin building CLCs into new centres of economic and political power within regional economies. The demand from CLCs for resources and support itself reflects their expanding ambitions. According to the Director of the AFL-CIO Field Mobilization Department:

We're finding a need for what we're calling a second generation. The first generation was to get the overall strategy to build the labour movement in a community, and we had to go through each part of this to try to generate some ownership of the process locally. Once you get there, and the local labour movement passes the Union Cities resolution and puts a plan together, as they start moving it, a whole new set of questions comes up. We need to be able to provide support to tackle these pieces...It's not like there are any easy answers.

2.4 A new alliance between CLCs, state federations of labour and the national AFL-CIO

Following up on Union Cities, the AFL-CIO Committee 2000 has been studying how it can generate more support for CLCs, including from state federations of labour. State federations have been more active than CLCs since the Second World War, partly because US states have major responsibilities for funding and regulation in important policy areas (e.g. taxation, education, childcare, welfare, unemployment insurance, employment and training, economic development subsidies, regional "land-use" planning, transportation, and infrastructure spending). Nonetheless, outside the building and construction trades, regional and state policy and institutions were considered as of secondary importance from the 1940s to the 1990s. Most state federations continued to focus on "wielding" power, while declining union density reduced their influence. In addition, coordination between the three levels of AFL-CIO has been limited. As well as individual unions affiliating separately with the local, state, and national federation, no formal line of authority exists from the national to state federations or from the state federation to CLCs.

At its October 1999 convention, the national AFL-CIO ratified a resolution outlining a "New Alliance" between CLCs, state federations, and the national AFL-CIO. A central component of the New Alliance will be a process of strategic planning and the development of two-year budget cycles aligned with the two-year legislative cycle in US states. Additional training and education will be made available to state and CLC staff. National unions will be asked to guarantee per capita funding to "qualifying" state and local bodies whose strategic plans have been approved by the national AFL-CIO (Lazarovici, 1999).

2.5 Changing to organize

Historically, individual unions have jealously guarded their control over organizing, ceding no significant role in this area to the national AFL-CIO. The New Voice Administration came to power on a platform that stressed the need to “Change to Organize”. It immediately established a new AFL-CIO Organizing Department by bringing in house the quasi-independent Organizing Institute (OI) established in 1989. The new administration also committed itself to devoting 30 per cent of its resources to organizing by the year 2000 and urged its affiliates to do the same (AFL-CIO, 1997, p. 2).

The federation’s role in organizing is still evolving. The least controversial aspects of its role are its efforts at recruiting and training organizers. While the Organizing Institute emphasized recruiting and training college students, the Organizing Department trains more rank-and-file members of affiliates. A particular emphasis now is training lead organizers. The federation subsidizes individual campaigns using an organizing fund. Through the services of its Corporate Affairs Department, the AFL-CIO conducts strategic analysis of industries to identify potential organizing targets and individual employers from which affiliates are seeking recognition.

The AFL-CIO has also initiated a campaign to persuade the public to see workers’ freedom to choose a union as a basic democratic and civil right. The campaign initially phrased the challenge as the “right to organize”. Focus groups indicated that “freedom to choose a voice at work” would have a wider public appeal.

In 1998, more workers voted in union certification elections and unions organized more new members than at any point since the 1970s. Nonetheless, new organizing has not yet been rapid enough to overcome the loss of union members as a consequence of the rapid pace of economic restructuring.

2.6 Industry committees

A large number of US unions divide the low level of union density that exists in many industries (although in many cases one union has substantially more members than others). In health care, for example, the Service Employees International Union (SEIU) is the dominant union but large numbers of other unions have some members. The “conglomerate” tendency of US unions has increased because unions with declining memberships in their primary industry have often organized new members wherever and whenever they could (Piore, 1994, pp. 520-522).

Sweeney’s successor as SEIU President, Andrew Stern, has argued that unions need to merge and form new alliances to keep up with dynamic shifts in corporate organization and industry boundaries (Stern, 1998). A complicating factor is that high levels of density within local and regional

markets are important in many non-mobile service industries. The same union need not necessarily represent workers in different regional markets, although there may be economies of scale if it does.

In one major industry, health care, AFL-CIO has formed a committee of its Executive Council. The federation provides neutral ground to address sectoral issues of mutual interest, such as public policy, the strategies and vulnerabilities of industry players that may negotiate with unions in different markets, or joint organizing. Just as industry divisions proved effective within SEIU, industry committees could become a vehicle for cooperation across unions, possibly laying the foundations for mergers or membership exchanges that will bring the organization of the labour movement into better conformity with the economy. Even so, the political challenges of such restructuring should not be underestimated. At the October 1999 AFL-CIO convention, after the presentation of union density trends by sector, delegates ratified a resolution which stated that no union has exclusive jurisdiction over any sector.

3. Restructuring at individual US unions

This section outlines some common themes in the responses made by leading AFL-CIO affiliates to the pressure of the 1990s. It relies heavily on the experience of three leading unions: the Communications Workers of America (CWA), the SEIU, and the American Federation of State, County, and Municipal Employees (AFSCME). Top elected leaders or staff members of these unions were interviewed in April or May 1999. The unions are all based in service industries and are considered atypically effective. Their experience tells us something about approaches that are likely to become more widespread in the future if the US labour movement is to rebound.

The CWA represents over 600,000 workers, mostly in the telecommunications industry. The SEIU represents over 1.3 million workers, primarily in the health care, janitorial and public sectors. AFSCME represents about 2 million public sector workers.

3.1 Permeability to pragmatic, progressive activists

While the division between the unions and the ideological left that emerged after the Second World War is well known, this division does not appear important at national level within the CWA, AFSCME or SEIU. Whether as union leaders or staff members, left activists have been central partners in strategy development in these three unions. The non-bureaucratic “mission” and critical world view of these individuals may have helped bring basic questions – “what is to be done?” – quickly to the surface in the 1980s

and 1990s. In the wake of the labour movement's sense of crisis and the loss of Soviet control of Eastern Europe, there are indications within some more conservative unions, including the building trades, of a new permeability to progressive activists.

3.2 A sense of crisis

At national level, all three of these unions share a sense that "business as usual" is not enough and that the labour movement may be in danger of extinction. For SEIU, this sense goes back to the early years of the Reagan era; it intensified during the 1980s when the janitorial industry was substantially deunionized in strong union cities such as Los Angeles and Pittsburgh. For CWA, the break-up of the telephone monopoly, AT&T, in 1984, ushered in a new era that threatened its survival. For AFSCME, which continued to grow rapidly in the 1980s, the 1994 election created a sense of urgency. After that election, in which the Republican Party won a Congressional majority, AFSCME:

...made a major decision to reevaluate its organizational strategy. We were provoked to do that by the [Republican speaker of the US House of Representatives Newt] Gingrich victory in 1994...We are in this precarious moment in the history of the United States when it can go either way. Easily it can go downhill. What happened in 1994 could be the beginning of a 40-year rule by a Gingrich and his acolytes. Thank God we are awake and recognizing this.

The leadership role that AFSCME president Gerald McEntee played in the transition from Kirkland to Sweeney was one direct consequence of AFSCME's view that the labour movement is in danger of extinction.

For CWA and SEIU, despite a range of activities launched to turn the tide, recent union density trends reinforce the sense of crisis. For example, while CWA has done what Batt, Katz and Keefe (1999) call "a masterful job broadening its vision and strategies", it has still suffered membership decline. At AT&T alone, membership fell from 117,000 to about 40,000 in 1996, according to the CWA research department. In its traditional core industry, telephone services, the union has maintained significant representation among residential service providers but has been unable to organize anti-union employers in the cable, cellular, internet service provider, and long distance sectors. Union density among technical workers in the telecommunications industry has fallen from 68 per cent in 1983 to 52 per cent in 1996; among clerical and sales workers, it has fallen from 63 per cent to 35 per cent (Batt, Katz and Keefe, 1999). For SEIU, union density in the janitorial and health care industries remains at 10-12 per cent nationally. Only in a few

geographical markets does the union possess sufficient density to set area-wide wage and benefit standards.

3.3 Strategic planning and plan implementation

All these unions engage in formal processes of internal strategic planning. In SEIU, planning and internal reorganization began in the 1980s when “Sweeney took this very decentralized AFL-style organization and led a change process to bring more coordination and centralization”. The reorganization into industry divisions in the 1980s was one result. Most recently, over a four-year period beginning in 1992, the SEIU Committee on the Future produced a series of five reports (on the state of the world, the state of the economy, leaders’ views of the union, members’ views of the union, and recommendations for the future) designed to outline the next set of strategic directions for the union. The recommendations highlighted the need to build “industry power” by raising the union’s density in particular labour markets within SEIU’s major industries. Organizing priorities over the next several years will be geared to raising industry power.

Within AFSCME, the planning launched after the 1994 elections has identified two new organizing strategies to complement the union’s main strategy for the past four decades (which was to work relentlessly to pass state laws establishing workers’ right to organize and bargain collectively and then to organize as many workers as possible immediately thereafter). The new strategies are to systematically organize public sector workers who have remained outside the union although they are protected by existing state bargaining laws; and to organize private sector providers that compete with public sector workers.

Within SEIU, the most recent strategic plan, completed after Andrew Stern succeeded Sweeney, has led to a major internal reorganization. According to Stern:

We went through the whole headquarters and asked ourselves the question how would we change from...a smorgasbord union, in which locals got to choose which foods they ate, to a union structure that maximizes our ability to implement the Committee of the Future report. Rather than asking whether people were doing good work, which everybody was, we asked ourselves which functions matched the mission of the union and therefore should be maintained or expanded?

Seven SEIU departments were eliminated. The health and safety department has declined from 22 staff members to two. One hundred and forty out of 350 national union staff members now have different assignments.

Based on observations of restructuring within US unions generally, one AFL-CIO staff member observed a generational process at play. The four or

five union leaders associated with the most rapid and dramatic internal restructuring tend to be younger; they were rising through the ranks in the difficult climate of the late 1970s and 1980s. Older leaders whose careers began during the years of post-war prosperity have had more difficulty coming to terms with the change in the economic and political climate. They may also have stronger ties to local leaders and staff members who perceive reorganization as threatening.

3.4 Keeping up with corporate structure – Union centralization and local autonomy

In the major industries where they represent workers, both CWA and SEIU confront dramatic changes in industry structure and business organization. For CWA, the definition of the industry which employs most of its members is in flux, with telecommunications (including wireless telephony) now converging with publishing, computing and entertainment into “information services” (CWA, no date, p. 2). Within the amorphous information services sector, firms are constantly merging and forming alliances in an effort to position themselves for the future. In health care, self-contained and independently managed hospitals are giving way to regional health care networks which link physicians’ offices, hospitals, outpatient clinics and ancillary services. In janitorial services, building owners now routinely contract out to specialized cleaning services, which may be small local firms, national companies or international corporations.

As a result of corporate restructuring, unions often find that “the union structures don’t match up with the employer’s structures”. In some cases, their traditional bargaining partner now has little authority. In one illustration, the president of the American Broadcasting Company (ABC) (one of the US television networks) recently excused himself from bargaining with CWA President Morton Bahr so that he could telephone Michael Eisner, CEO of the Disney Corporation. Since Disney now owns ABC, the ABC president no longer has the power to conclude a final agreement. According to SEIU president Stern:

The person that is bargaining nursing home contracts in Pennsylvania is dealing with the same companies that are in California. The head of George Washington Hospital (in Washington, D.C.) now reports to a guy in King of Prussia, Pennsylvania, because he’s part of a hospital chain. All of a sudden, hospitals are a thing of the past, now you deal with health care systems. You no longer deal exclusively with non-profit you deal with for-profits. So people have had to figure out how to maintain and control their density with an understanding of what is happening in the industry.

In today's economic climate, neither the centralized industrial union tradition nor the decentralized craft union tradition fits with industry and corporate structure. Both these traditions meshed with forms of business organization based on independent firms – industrial unions fit with vertically integrated giants, craft unions with small local firms. Now corporations are trying to network forms of organization that stand between the hierarchical, vertically integrated firm and independent businesses that operate at arms length (Herzenberg, Alic and Wial, 1998, particularly Chapter 6). Through networks firms hope to achieve the coordination possible through vertical integration with the entrepreneurial flexibility of independent business units. Unions need structures capable of tracking and responding to changing business networks.

3.5 Strategic coordination of union activity in different spheres

Another common theme in more successful unions is the strategic coordination of politics, bargaining and organizing. The need for such coordination and the potential benefits have grown as a result of corporate restructuring: more complex interconnections among corporations create the potential for unions to exercise leverage at a widening array of levels and venues. In the past, industrial unions tended to exercise strategic coordination only to win strikes. To rebuild power, according to Stern, they need to use their connections, financial resources and political leverage in organizing and increasing density. At CWA, strategic coordination has deep roots that go all the way back to the last large-scale organizing of the AT&T telephone monopoly, Bell, in the 1950s (Nissen and Rosen, 1999). A 1960s CWA internal educational programme labelled bargaining and representation, organizing, and community/political action the union's "triple threat". In the next two decades, CWA participation in national and state regulatory arenas helped sustain awareness of the connection between political action and union leverage in bargaining. CWA now refers to the "triple threat" as the "CWA triangle" and emphasizes that "if you break down one side, the other two will collapse".

Consistent with the philosophy of the triangle, the CWA has been perhaps the most active union practitioner of "bargaining to organize" – negotiating contractual clauses that prevent employers from fully exercising their extensive right under US labour law to campaign against unionization. The most common contractual clauses require employers to remain neutral in union certification elections, to expedite such elections, or to grant union recognition when more than 50 to 60 per cent of bargaining unit members sign union cards.

3.6 Stronger ties to the community

US labour unions and community-based organizations (e.g. religious organizations, minority groups, and organizations that help members of low-income communities to find housing and jobs, or access social services) are often suspicious of one another. Labour sees community groups as adding little to the unions' own efforts and seeking resources without offering credit. Unions are perceived as wanting to control joint efforts and expecting community groups to rally round labour in disputes with employers. More fundamentally, unions are seen as being narrowly self-interested. Some urban minority organizations are suspicious because craft unions are perceived to have kept minorities out of high-paying construction jobs in the past.

Both CWA and SEIU have invested in efforts to strengthen labour and community ties. The CWA helped found "Jobs with Justice", a national network of metropolitan chapters that bring the labour, religious, minority, and academic communities into coalition to protect workers' rights to organize. CWA and SEIU have also formed coalitions with consumer organizations in fights in the state regulatory or legislative arena. For example, in a ten-year campaign in California, a coalition with consumers was critical to the passage of state legislation that facilitates the formation of county-wide unions of home health workers who are employed by many different small provider organizations but whose services are paid for by the state. (The legislation accomplishes this by allowing counties to establish a county-wide authority that will bargain with a union of home health workers on behalf of all employers if a majority of workers vote for representation.) In Los Angeles County, the California law led to the organization of 75,000 home care workers. Unions have also supported community-based organizations in efforts to establish "living-wage" ordinances that require contractors to local government and corporate recipients of public subsidies to pay a living wage well above the minimum wage.

3.7 Strengthening of collective identities based on occupation

Both SEIU and CWA have strengthened their internal structures for promoting union-wide links among workers within particular occupations. In CWA, a high proportion of the membership falls into two major occupational groups, clerical workers (operators, customer service and, increasingly, sales workers) and "outside" crafts. A third group, computer programmers and software specialists, "inside crafts", has grown recently, although many members of this group have been classified as outside the bargaining unit. CWA has strengthened its occupational network of customer service and sales workers by organizing annual conferences which bring together 200-300 members of these groups from different companies (Batt,

Katz and Keefe, 1999). These gatherings focus on developing coordinated bargaining agendas and contract language as well as discussing workplace issues and mobilization strategies. This internal organizing has helped build a network of local leaders in customer service and sales that cuts across local unions and individual employers. Through this network, the union has sought to develop the professional identity of customer service workers, building on the historic commitment of telephone workers to public service during the regulated period. Internal networking within occupations has helped generate organizational consensus on the need to invest heavily in organizing low-wage non-union competitors that employ workers in similar job categories. Members readily see that huge wage and benefit differences between union and non-union competitors may be unsustainable.

At SEIU, networks of activists and leaders within occupational groups are fostered by meetings within the five divisions. In the health care division, industry meetings are supplemented by national and regional meetings of nurse councils. In conjunction with the "Dignity Campaign," a national nursing home organizing effort, the SEIU regularly brings non-professional health care workers, primarily nurses' aides and licensed practical nurses (LANS) together.

Multi-local meetings on an occupational and industry basis do not take place regularly at AFSCME. For example, even though the federation represents hundreds of thousands of clerical workers who face common pressures as a result of technological change, the expansion of temporary work and privatization, these workers do not regularly come together across employers and local unions. Such contact could promote more effective representation and lay the groundwork for future organizing in the private office worker labour market.

3.8 Shifting resources to organizing

The SEIU, CWA, and AFSCME have all recently shifted resources to organizing. In SEIU, the Committee on the Future outlined a three-year plan under which locals would spend 10, 15 then 20 per cent of resources on organizing, with matching funds available from the national union. SEIU nationally "now spends well over 50 per cent of our resources on growth". CWA allocates 10 per cent of its resources to organizing and a 1997 Constitutional Amendment encourages locals to do the same. This arguably underestimates the importance of organizing in CWA, given the tight link between CWA organizing and bargaining and political activity, and given the union's reliance on cost-effective member organizers. In AFSCME, 20 district councils are now in the process of forming organizing departments.

3.9 Evolving organizing models

With more investment in organizing has come more effort to distill lessons about how to organize cost- effectively. This learning process is more advanced in CWA and SEIU because they refocused on organizing before most other unions.

From countering employers to empowering workers. Over the past quarter-century, organizing by US unions has been shaped by employer opposition to the labour movement. One top official perceived both “models” of organizing – the blitz model and one-on-one organizing – as responses to employers’ vigorous campaigns against unionization. They have both:

...been invented to try tactically to overcome what the employer does. They presume the employers will beat your brains in. You’re either trying to rush quickly before they can get to the workers. Or you’re building deeply so that when the employer gets to you there are enough roots that you don’t get swept out...They are not models, per se, of trying to persuade workers.

During organizing campaigns, the reality of intense employer opposition tends to reinforce the adversarial orientation of many US unions. Organizing experience, however, is leading unions to question the effectiveness of campaigns that revolve too exclusively around the negative theme of what is wrong with the boss.

At SEIU, for example, the union now perceives its traditional organizing campaigns as aimed at the one-third of the workforce that is pro-union when the campaign begins.

The first 30 per cent tend to be more aggressive, more class struggle, more angry at the boss. The next 30 per cent, using just broad terms, they’re not looking for conflict, they’re not looking for hostility, they’re looking for a voice. But it’s not angry. In health care, our theme among nurses is now ‘working together works.’...For many of our class-struggle organizers, it’s an enormous challenge because we’re so used to being in conflict with the employer. But we don’t attack the employer, we inform people about pay practices or whatever. We’ve polled it, focus grouped it, before and after elections. It’s what the swing voters want to hear. It’s not what the organizers want to say, it’s not what the first people that come to you want, but it’s what wins elections.

CWA leaders also see their union as having moved away from the “grievance model” of organizing that dominated its efforts in the public sector in the 1984 to 1992 period.

You assume the workers have grievances and you appeal to them on the basis of those grievances...With that kind of approach, you tend to appeal to the people in any workplace that actually have some real difficult

grievances. But then there's the other 90 per cent that don't have any personal type of grievance, that just want income security, they want job security, they want a voice on the job...

Organizing "voiced from the inside out". While it may have originated as a tactic to help withstand employer opposition, expanding the workers' role in leading their own organizing campaign has evolved at CWA into a way of ensuring that the campaign responds to those workers' concerns. CWA refers to its organizing as "voiced from the inside out," meaning that workers in the workplace being organized have to lead the campaign. The union describes its philosophy as to "stick with people as long as it takes - it's not about winning an election for us, it's about relationships".

CWA establishes an organizing committee in the workplace and helps take the message out to the rest of the workforce. Internal organizing committees are now encouraged to develop their own mission statement. According to CWA organizing director Larry Cohen:

The organization, the life of it, emanates from the workplace where people are working together to solve problems... The American Air lines campaign and the US Airways campaign, the inside leaders were very talented, very committed, and had lots of energy. Then our role becomes a secondary role of supporting them to achieve their goal of building a union, versus those workers supporting our goal of enlarging our organization...

CWA, in essence, provides organizational development support for emerging unions in non-union workplaces, helping them plan their own campaign.

We have come to realize that organizing depends on the systems workers use when building their unions and we share with them what we think are the best systems. One big thing for us is one-on-one personal contact so that workers are not just relying on materials or impersonal media communications, but that they actually have these discussions with folks about what really matters to them...It's got to be built on one-on-one communication with people.

Reliance on member organizers. CWA, particularly, relies heavily on member organizers in its organizing efforts. Contract provisions allow members time off for union business and the union pays them lost wages. The union has only 12 full-time organizers nationally in its nine districts (Nissen and Rosen, 1999, p. 81). The skills of member organizers are developed in regional district organizing networks through formal training, mentoring by district organizers, experience, newsletters that share stories and lessons learned from campaigns, and annual retreats. The organizing network in one district grew from 26 to 62 organizers between 1990 and 1997. The three-day retreat in the district draws about 20-25 people per year, virtually all of them member

organizers, for discussions structured around case studies. Industry segments also receive in-depth analysis. On the last day, participants develop an organizing plan for the district for the next year, with targets specified and discussion of how the network can support particular campaigns. The organizing plan is distributed to all locals. The district organizing network thus serves, according to a District 4 Organizing Plan, as a “vehicle for mutual support, exchange of ideas and recognition” (Nissen and Rosen, 1999, p. 77).

At SEIU, “member mobilizers” have played an important part in campaigns for new union contracts with employers that are already organized (Sciacchitano, 1998). At AFSCME, member organizers have been used to augment full-time staff in childcare organizing efforts in Philadelphia.

Over the longer term, the development of hundreds of member organizers may be the only way to turn the tide and start to organize new members by the thousands. CWA sees reliance on member organizers as economical. At Indiana University, for example, the CWA organized 1,800 clerical and technical workers using a staff of three part-time organizers – telephone operators – and eight days a month from a district organizer (Nissen and Rosen, 1999). The campaign cost CWA \$250,000 or \$138.88 per member organized. This compares with the standard US rule-of-thumb that organizing costs \$1,000 for each new union member. Sciacchitano, however, cites an SEIU staff member who found training and developing workers to assume additional responsibilities more time consuming initially than having staff perform those functions (Sciacchitano, 1998). Clearly, the investment necessary to develop member organizers will vary according to the educational background and workplace responsibilities of workers.

Occupational organizing. Several of those interviewed identified “occupational organizing” as a distinct approach. One success that those inside and outside CWA characterized as based on occupational organizing was the unionization of 10,000 call centre workers at US Airways. CWA saw its success with these workers as a direct outgrowth of what the union knew about this kind of work from its representation of operators and customer service representatives in AT&T and regional phone companies. According to CWA organizing director Larry Cohen:

The reason we won was that we have 150,000 customer service people in the union who do similar work in call centers in a variety of industries...Where people are plowing through screen after screen of very detailed information. Of 150 people on a plane, they've got 100 different fares...That job is much like the calling centre at Bell Atlantic where there's a million ways you can configure your communication set-up ...People interfacing with technology and customers...The job can vary tremendously but it's always about that...Problem-solving and finding the right information for people.

The tone of the US Airways campaign relied heavily on appealing to the professional identity of the agents. It focused on the need to improve customer service, rather than attacking the company per se (Batt, Katz and Keefe, 1999). Twenty-five full-time member organizers staffed the campaign. In the wake of the US Airways effort, the CWA is now aiming for a certification election among 15,000 mostly customer service workers at American Airlines.

For CWA, organizing around the concerns of particular occupational groups is pivotal to its plans to increase density in the telecommunications industry. Mergers and acquisitions have brought large numbers of non-union customer service and technical workers into AT&T and Regional Bell Operating Company subsidiaries. These subsidiaries are often covered by “neutrality clauses” achieved through CWA’s bargaining-to-organize efforts. Such clauses limit managers’ freedom to use the full scope allowed by US law to convince workers not to vote union in a certification election. Using the access to non-union workers and the protection of these neutrality clauses, organizing outreach can be supported by CWA members in the same occupation.

A former AFL-CIO organizing director offered nursing as an example ripe for more organizing on an occupational basis. In places such as Texas where organizing all occupational groups in hospitals or health care networks would be difficult, nurses show a tremendous interest in having stronger associations. This interest stems from the expansion in the United States of managed health care insurance and for-profit hospitals, as well as a decline in fear of losing jobs at particular facilities.

The nurses have very strong concerns about their profession, the for-profit nature of their industry, about legislation that is being developed. They are tired of waiting for someone to come and help. They are doing it on their own.

The interviewee believed that a union could organize 127,000 registered nurses in Texas quite inexpensively and that the resulting association would soon be financially self-sufficient. One bottleneck in organizing these nurses is a shortage of trained and experienced organizers and lead organizers.

Organizing workers in non-standard employment relationships. Occupational organizing is seen as a potential approach to representing US workers who are not strongly attached to a particular employer – e.g. those who work for temporary agencies or have short-term contracts. According to the AFL-CIO organizing director:

The high-tech and contingent workforce area. These folks are not in vertical relationships, with a boss that they are having trouble with, but in more lateral relationships. But they still need an organization to speak for

them...The largest employer in America is a temp agency now. So we have to figure out how to organize this segment, what the glue is and I think that is a different structure in terms of organization and collective bargaining...But it is not either-or and it is not all going to be one kind of organization and representation very soon. Not in my lifetime.

The CWA has led efforts by US unions to represent workers in non-standard employment arrangements. For example, CWA has established pilot "Employment Centers" in Los Angeles, Cleveland and Seattle that perform some of the functions of hiring halls in the construction model of US trade unionism. The Centers provide portable benefits, placement in temporary assignments covered by a collective bargaining agreement (the employer on record may be a telecommunications firm or a temporary agency that acts as an intermediary between the Employment Centre and the telecommunications firm), and training.¹⁰

In July 1998 CWA chartered the creation of a new local union – the Washington Alliance of Temporary Workers or Wash Tech – by Microsoft temporary workers in Seattle, Washington, the home base of the Microsoft Corporation. About one-third of Microsoft's 6,100 workers are temps and one-third of these have been on the job for more than a year. Wash Tech's goals include: (1) giving workers a voice in any policy decisions, public or corporate, that directly affect high-tech temps; (2) extending sick pay, holiday pay and medical care to all full-time workers in the industry, regardless of their employment status; and (3) educating workers about their legal rights to organize, negotiate contracts, and share employment information. Wash Tech is currently trying to form a workers' cooperative through which workers could contract out their own labour. In June 1999, Wash Tech petitioned four temp agencies for bargaining recognition on behalf of 18 Microsoft contractors. In January 1999, in response to workers' requests, Wash Tech began offering one-month classes on topics such as Java script, web development, database design, digital design and illustration, and career planning.

4. Inventing postindustrial unionism

One AFL-CIO staff member, speaking about unions adapting to new conditions, said "it's not so much the specifics of the change, it's how on earth they ever get to the point of making the change". In fact, however, the specifics of the change – a vision of how unions fit in to the new economy – are part of generating a willingness to change. The difficulties created for unions by the lack of such a vision manifest themselves in various ways.

¹⁰ This and the next paragraph are based on duRivage, 2000.

4.1 From industrial to postindustrial organizing

Changes in business and work organization resulting from the shift away from a local craft-based economy, towards a national mass-production economy required a change in the dominant form of trade unionism. The same is true today, with the shift to a global, service-dominated economy. And just as the transition from craft to industrial union organizing was difficult for craft unions – with industrial unions, for the most part, created anew, along with their own federation (the Congress of Industrial Organizations) – the transition to postindustrial organizing has proved wrenching for a labour movement dominated by industrial unions.

Even in the last few years, much of the internal labour movement debate about organizing does not rise above campaign tactics. According to former AFL-CIO organizing director Kirk Adams:

We do a lot of planning in this town and very often assume the workers want to have a union. I think generally a lot of workers do want to have a union ...But as to why they want to have a union, that's not ordinarily discussed...We talk a lot about the employer but we don't talk that much about the worker...

In the absence of any explicit debate about why workers might associate collectively in today's economy, traditional ideas from the industrial union era continue to have great sway. The most obvious illustration is the idea that hatred of the boss should be the main organizational glue. In some quarters, even to question the universal appeal of organizing “against the boss” is now seen as failing a loyalty test: it is misinterpreted as a retreat from the idea that organizing is about increasing workers' power. However, organizing is still about gaining the collective power to achieve positive transformation in a particular job, industry, or occupation, even if the focus shifts away from the “bad boss”.¹¹ A more subtle but related hangover from the industrial union era is the restricted notion of what unions do. Only a few organizers conceive of what they are doing as part of an effort to transform social relations at work – to increase “worker control”. When the language of the high road is adopted it is generally a slogan rather than an expression of a belief that the organization of production could be transformed in ways that benefit customers and society as well as workers.

Especially at CWA, some organizing is now being planned and conducted in ways that expand workers' opportunity to shape their own vision of unionism and then to work with others to find the leverage necessary to realize that vision. In these “best practice” cases, organizer networks include

¹¹ For an illustration of the confused nature of the debate on this issue, see *Labour Notes*, 1999.

internal committees, member-organizers in similar work settings, experienced full-time organizers, and union staff who can bring outside leverage to bear.¹²

The basic challenge for the AFL-CIO is to create an expanding learning network of organizers who have a deep understanding of workers and the nature of work today. This implies a heavier reliance on organizers employed in the occupations and industries being organized. It also suggests a need to re-evaluate the wisdom of having organizers move from industry to industry and occupation to occupation. Such movement may be acceptable if organizers are marketing generic “defence against management” services, but not if the goal is to transcend this and move towards more occupational models. It may also be important to eliminate the hard line that often separates organizers from those who negotiate contracts and oversee the use of union power once it is established. Only if organizers know how unionism will lead to a change in the day-to-day experience of work will they be able to convey the possibilities to new recruits.

There are many ways that AFL-CIO could seek to create the necessary learning network. As with the network of high road practitioners fostered by the Working for America Institute, a priority should be to encourage more contacts among organizers whose perceptions and approaches are not shaped by the past. At present, these individuals appear isolated, which is not a recipe for creativity or success. This interaction might also lead to more dialogue about what workers want, and to a reflection on the lessons of recent organizing successes and failures. AFL-CIO may ultimately need to reinvent its training curricula for organizers and lead organizers, creating, perhaps, a “New Union Organizing Institute” as a successor to the “Organizer Institute” first targeted at college students who would participate in blitz campaigns.

4.2 Inventing the high road

A related challenge for labour today is building the technical capacity in regional economies and labour markets to help pave the high road and block the low road. Implementing the high road requires major changes in public policy and networks of new institutions, many of them operating above the level of the individual firm (e.g. multi-employer unions, labour market

¹² Some innovative organizing is more likely to succeed because it is conducted in ways conducive to the development of what Ganz (1999) calls “strategic capacity”. Ganz defines “strategic capacity” as the product of three factors: “access to salient information,” “heuristic processes” (loosely, processes that help people solve problems creatively – e.g. interaction among individuals with diverse perspectives, brainstorming, telling stories or reviewing case studies of organizing), and “motivation to learn” (i.e. an intense interest in learning how to organize more effectively).

intermediaries that serve multiple employers, institutionalized political alliances between high road employers, unions and consumers). Creating the necessary institutions is outside the experience of most American trade unionists, who were confined to a reactive role within individual companies for most of the time since the Second World War. Especially outside the building and construction trades, most US unionists do not have the habits of thought that would lead them to analyse sectoral development; neither do they have the habits of action that would lead them to organize so as to shift business strategy from the low to the high road.¹³

One place to look for support in building the high road is the public sector. Here, unions confront the extreme free market orientation of even “liberal” US economists and policy makers. The liberal neo-classical paradigm of virtually all economists in the Clinton Administration has no place for the self-conscious construction of institutions designed to push industrial development in more innovative, high- quality directions.¹⁴

The US labour movement already uses some of its political leverage to free up public resources for technical assistance and institution building that support the high road – the best illustration of this being the Working for America Institute. Additional resources might be released with a strategic focus on that goal, at both state and local level. Some financial support should be sought for institutionally oriented research and graduate training programmes that recognize the role of labour organizations and other institutions in industrial development. The labour movement also needs to fight at all levels of government – including within the next national Democratic Presidential Administration – so that economic decision making is not dominated by neo-classical economists whose insidious influence on policy is impossible to overestimate. (Winning this fight is emphatically not just a matter of influencing the next appointment of Secretary of Labor.)

¹³ The number of union leaders and activists comfortable with initiatives to promote the high road and rule out the low road will grow if unions expand in services such as childcare, elder care and health care, and if teachers’ unions reorient themselves more wholeheartedly to taking the lead in promoting educational quality. In human and educational services, organizing to shift competition in higher quality directions is a natural extension of the professional identity of union members.

¹⁴ Arguably, there was not a single institutional economist in a high level policy position in either of the two Clinton Administrations. In the Carter Administration, Secretary of Labour Ray Marshall, one of the most prominent institutional economists, was isolated within the Cabinet. In the first Clinton Administration, Secretary of Labour Robert Reich espoused some views shared with institutional economists, but saw himself as a one-man source of creativity not the leader of a coherent alternative perspective on economic development. Every Chief Economist at the US Department of Labour since Clinton came to power has been a neo-classical economist.

It must be admitted that it is a lot to ask of the labour movement that it take the lead intellectually, politically and institutionally in pushing for a high road economic strategy. While there are many potential allies for such a strategy once it begins to emerge, there are no other obvious candidates for taking the lead. The statement above is both a recognition of the enormity of the challenge and a rationale for a new economy labour movement.

4.3 Labour's moral purpose

Another obstacle to trade union progress is the decay of a broader sense of social purpose – the idea of a mission larger than the self-interest of a particular union or particular officials. If the upper middle-class income and status of some union leaders and staff may be jeopardized by internal restructuring, the decline of a larger sense of mission can be particularly paralyzing. Why sacrifice personal prestige and security if no larger purpose will be served? The lack of a consensus social vision also diminishes labour's ability to attract and retain committed activists and staff who have the alternative of a more financially rewarding career.

Strategic planning and internal reorganization with AFL-CIO and leading affiliates have sought to revive the sense of a larger purpose. One national union leader observed that, within his union, local officials have begun to accept personal sacrifice once they see internal restructuring which is consistent with a principled strategic plan. But a broader regeneration of labour's moral purpose requires a general postindustrial solution to unions' basic dilemma – the need to serve the interests of their members while simultaneously being seen to serve the interests of society as a whole. At the moment, institutional self-interest is too transparently the motivation for many labour actions, large and small. Paradoxically, only transcending the view that labour is just another special interest, and acting to make the world a better place, can restore labour's power.

4.4 Postindustrial unionism

The challenges above are all symptoms of developments in the 1970s and 1980s that rendered obsolete the New Deal solution to the unions' basic dilemma. To end unions' current "identity crisis" within society, and lay the foundation for a substantial increase in membership, unions must, as they did in the 1930s, take a central role in solving persistent economic and social problems. Notwithstanding sustained economic prosperity, the United States at the end of the 1990s does have such problems. They include rising wage inequality, an erosion in big company job ladders that undercuts advancement for low-wage workers and security for mid-career employees, falling rates

of health care coverage, and an apparent decline in the value of pension benefits for many workers.

In addition, it is widely perceived that the US invests inadequately in human capital development and that employment instability makes firms less willing to spend money on training (since employees may soon work for someone else). In conjunction with inadequate investment in workforce training, many US employers' competitive advantage is based on paying low wages and benefits rather than raising performance, an approach that retards the growth of living standards.

A potential new economy resolution of US unions' basic dilemma thus lies in their ability to solve these persistent economic and social problems.¹⁵ Adapting the traditions of craft unions, US multi- employer unions rooted in sectoral and geographical labour markets (childcare, elder care, health care, technical occupations, clerical and administrative occupations) could raise wages at the low end of the market, in the process discouraging low-wage strategies. They could negotiate with employers to increase investment in human capital development. They could create multi-employer career advancement, job matching, and health and pension benefit structures. In professional, technical, personal service and customer service jobs – now most of the economy – in which critical knowledge resides within occupational communities, unions could raise performance through apprenticeship and peer learning approaches. In these ways, unions might recapture public support as institutions that raise economic performance and create decent jobs – that “add value as well as values”.

A redefinition of unions' place in the economic structure is now the subject of debate at the national AFL-CIO. According to one top staff member:

There's no more important issue for us in terms of the long-term viability of union organization in this country than workforce skills and preparing people for work, present and future...We organize skill development processes that are critical to your long-term economic security...People will get involved with unions because they build the training structures that allow lots of workers in lots of different situations to get skills and to advance...

In the words of another staff member, the slogan implicit in much union activity in the last two decades is “things could be worse”. A new collective identity based on expanding economic opportunity for all and honouring workers' commitment to their customers and their craft would be a more positive and compelling vision.

¹⁵ For a longer (but still short) version of the argument in this last section, see Herzenberg, Alic and Wial, 1998b.

Some time ago, the US labour movement developed the marketing slogan “America Works Best When We Say Union Yes”, more as an expression of hope and faith than a conviction. The more the union movement discovers, to its immense relief, that this is actually true, and then makes that case to the public as a whole, the sooner we can expect to see a revival of the labour movement.

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