

SEIU President Andrew Stern

AFL-CIO President John Sweeney

Beyond Labor's Brawl: Strategic Conundrums Await

By Richard Hurd

*Professor Richard Hurd's article was written before the formal split which occurred at the AFL-CIO Convention in Chicago. While events continue to unfold as **Social Policy Summer '05** goes to press, the substance of his argument for new thinking and practice throughout the union movement is only becoming more relevant – and urgent – by the day.*

The stark reality of the continuing decline of U.S. unions has precipitated an intense feud among labor's leaders, with thoughtful progressives lined up on opposite sides of the schism. It seems increasingly likely that the movement as we know it will disintegrate. What remains uncertain is whether this period of crisis and confusion can provide space for the type of radical innovation that is necessary to propel issues of voice,

justice, and equality to the forefront of the nation's consciousness.

Readers of *Social Policy* know well the contentious issues – top-down restructuring versus bottom-up mobilization for change, a coordinated commitment of vast resources to organizing versus a relative priority on political action and labor law reform, deconstruction of the AFL-CIO versus preservation of its historic role, and staying the course with John Sweeney at the helm versus turning to a new leader with a mandate for change.

With the intense bitterness that has occasionally erupted into public diatribes from both camps, the two major proposals for reform are remarkably similar and at the

same time startling in the limits of their reach. There are now five protagonist unions operating as the Change to Win Coalition: the Service Employees (SEIU), the Teamsters, UNITE-HERE, the Laborers, and the Food and Commercial Workers (UFCW). Their program is summarized in *Restoring the American Dream*, available at <http://www.unitetowin.org>. The competing vision of the AFL-CIO officers, supported by most other unions with varying degrees of enthusiasm, is presented under the banner *Winning for Working Families*, and is posted at <http://www.aflcio.org>.

If we set aside differences related to the AFL-CIO's governance and dues structures (which will be irrelevant if key challenges are not addressed), the primary distinguishing feature centers on mergers and industrial unionism. *Restoring the American Dream* calls for a proactive merger policy that focuses on uniting workers in core industries, with concentration of resources in many fewer national unions and an intensified commitment to a growth agenda. The plan essentially argues that restructuring into large, cohesive, industrial unions will facilitate increased bargaining leverage, providing the economic power needed to attract members and stop the "race to the bottom." The AFL-CIO counters with a more modest program to promote voluntary mergers, combined with new industry coordinating committees to facilitate joint bargaining and industry based organizing. The two proposals emphasize the critical importance of both organizing and political action, with the Change to Win Coalition emphasizing a shift in resources to recruitment while the AFL-CIO favors balanced attention to building grassroots political effectiveness. Apart from the difference in emphasis there is little to recommend one set of tactical components over the other.

In essence the debate is about how to do better what labor does now. Administrative efficiency, mobilization of members, and marshalling resources for political action and organizing are all central to effective union practice, but taken individually or in combination the tactical components under consideration are narrow in their objectives. They are inattentive to the overriding demographic, technological and economic changes that are redefining work.

The Future of Work

The demographic makeup of the U.S. labor force continues to shift. Labor force participation is steadily

rising for women and falling for men, creating more gender balance in the working population. An even more dramatic change is the increase in ethnic and racial diversity fueled primarily by immigration. Within twenty five years people of color will account for forty percent of all workers, with Latinos making up about half of this group. The black and Asian-Pacific shares of the workforce will also continue to rise.

Deregulation, privatization and free trade have combined to magnify the impact of market forces on workers and on the organization of work. The impact is uneven. Global competition, the flight of manufacturing, and a steady weakening in protective labor market regulations have combined to suppress wages for low skilled jobs, which are increasingly concentrated in the service sector.

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The situation is further influenced by the growth of the immigrant workforce, providing a steady pool of job seekers which expedites wage suppression.

Simultaneously, accelerating advances in information technology, biotechnology and nanotechnology have boosted the demand for skilled workers in professional and technical occupations. The result is a bifurcated labor market, reflected in an expanding wage premium associated with education. In spite of the relatively lucrative options in the short run created by tight labor markets for those with relevant skills, there are long term insecurities as well. The pace of technological change increases the need for continuous professional development, but at the same time cost-conscious employers are cutting back on in-house training programs. In this context, job security has declined as corporations experiment with flexible work systems that allow rapid response to changing market conditions.

The threat that globalization poses for blue collar workers is well known, but there are pressures on professional and technical workers as well. International labor markets operate in many white collar occupations, while advances in communications technology have facilitated off-shoring of technical jobs in some fields. Add to this a variety of



new forms of work organization, such as telecommuting and geographic dispersion of work teams, and the net result is a decline in individual security even while overall demand for white collar workers is on the rise.

Can Unions Adapt to the New Realities?

In order to re-establish a powerful presence in the private economy unions will need to adapt to the changing workplace. Twenty-first century labor markets do not fit easily with the experience of organizations long associated with job security, seniority, and the protection of domestic production. There is little practical incentive for workers to embrace a movement whose culture and strategic perspective are captive to an historical framework that is no longer operational.

What role can labor play in the new world of work? Among the options that unions might consider as priorities in strategic discussions of the future:

- Aggressive advocacy of a pragmatic set of policy alternatives to promote fairness and mitigate neoliberal free market excesses.
- A form of voice that makes sense to workers who do not hold on to the myth of a lifetime job with one employer in one location.
- A proactive plan with new approaches to address insecurities related to jobs, to skill obsolescence, to health care and retirement.
- An internal culture that embraces women, people of color and immigrant workers from all ethnic backgrounds.
- A global strategy to exercise leverage against employers who know no national boundaries.

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Topics like these speak to the experiences of today's worker, especially those in the younger half of the labor force and immigrants new to our labor markets.

At least one aspect of the challenge has been addressed by both sides of the current debate in their respective proposals – the growing diversity of the workforce. However, this concern has not been emphasized by any of

the key players, prompting public denunciations particularly from leading black unionists. Their skepticism is grounded in experience; in the four decades since the civil rights movement, blacks have unionized in disproportionate numbers, and yet the inner circle of decision makers at the top of virtually all U.S. unions is still predominantly white and male. This needs to be confronted if unions are serious about connecting with the increasingly diverse workforce and particularly with those from immigrant communities.

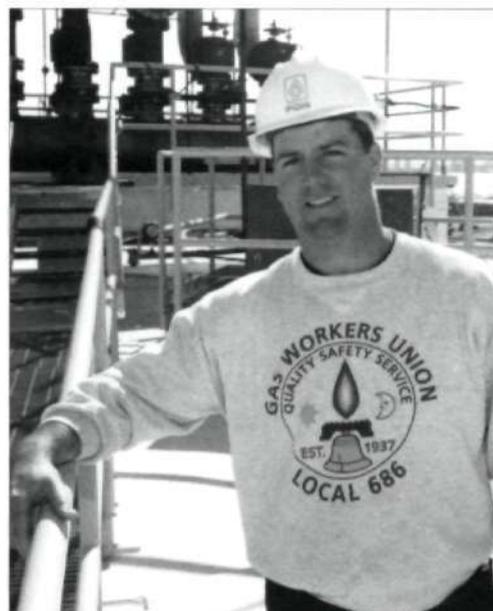
In fairness, the SEIU and UNITE HERE have made more progress than other unions in organizing immigrant workers and blacks, particularly

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those holding low-skilled, low-wage jobs in the service sector. It is this segment of the workforce that would benefit most from the Change to Win Coalition's restructuring proposal, with its emphasis on building market power through industrial unionism. The downside of this formula is that it would be applied broadly to the entire labor movement – although it would potentially benefit less skilled workers, there would not be the same type of natural appeal to those in the growing professional and technical occupations.

Connecting with higher-wage, higher-skilled workers is not an ideological compromise, it is a pragmatic necessity for a labor movement that needs to seek out opportunities to gain leverage. Realistically, professional and technical workers' identity is occupational not industrial. With the alterations in the nature of the employment relationship that they are experiencing, these high-end workers are most likely to be drawn to new forms of representation that operate beyond the framework of traditional collective bargaining. Some analysts have suggested turning to a type of modern-day guild to handle issues like contingent employment, geographic dispersion, and portable benefits. There is no simple formula, merely a challenge that demands attention, strategic analysis, and foresight. In recent months the AFL-CIO Department for Professional Employees has sponsored high-level discussions about these trends, but the topic has not been raised in the broader public debate about the future.

Globalization presents what is probably the greatest paradox for unions long accustomed to operating almost exclusively within the confines of U.S. and Canadian borders. Free trade and technology have rendered many practices obsolete. Labor's traditional role in this arena was



described to me by one high-level official as a mix of “cold war collaboration, labor tourism and groovy solidarity.” A more charitable assessment would recognize a shift over the past two decades as unions have pursued corporate campaigns in the global arena. Although there are well-entrenched remnants of the old labor statesmanship, the central feature of current union international activities is alliances with counterpart unions, most often in European countries and Australia around specific corporate campaigns. These relationships are typically short term and opportunistic, with U.S. unions

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seeking assistance to exercise pressure on employers with corporate headquarters abroad.

There are exceptions; the Communications Workers (CWA) have built extensive and lasting global ties around campaigns against Deutsche Telecom/T-mobile, IBM and other multinational telecommunications powerhouses. Similarly, SEIU and UNITE HERE are coordinating with several European unions in a campaign to organize the three largest general services firms – Sodexo, Compass, and Aramark. These deeper relationships that transcend national borders and involve some mix of organizing, bargaining, and political action may provide the base for building a stronger global labor movement. For this to happen, a coordinated program that extends well beyond individual campaigns seems like an obvious priority. And yet, globalization is almost totally missing from the current debate.

Into the Fog

The global political economy has transformed at a pace that seems to have outstripped labor’s capacity to respond. Ideally this external environment and the workplace of the future would be central to any serious discussion of national union strategy. Unfortunately, the substantive implications of economic reality have been lost amidst acrimonious wrangling over the structure and governance of the AFL-CIO. Unions need to stop agonizing about

the future of the AFL-CIO and begin to concentrate their strategic attention on tangible impediments to success. Instead of dwelling on the improbable quest for a structural fix, the labor movement should elevate the discussion of new models of representation and experiment with innovative methods to advance the interests of working people.

The Change to Win Coalition has in effect created a space for a small number of key unions to engage in serious discussions. Unfortunately, the breadth of the coalition’s strategic perspective has been constrained by an expectation that participants accept in advance a specific framework – industrial union organization and resource reallocation to the organizing priority. This pre-condition largely shuts out unions with strong occupational identity, as well as those from the public sector. If this framework itself could be subjected to critical analysis and discussion in the context of the global challenges that confront labor, there would be an opportunity to consider serious alternatives.

It is unlikely in the current environment that a forum could be created within organized labor for objective assessment of the coalition’s agenda. The hope of any compromise seems to have dissolved with the departure of the SEIU, the Teamsters and the UFCW. Even with exodus of the SEIU and allies, progress could still be possible. Rather than allowing this split to degenerate into open internecine warfare, the most productive approach would be for the two factions to reach some accommodation.

In this context, unions outside of the Change to Win Coalition could form similar groupings to pursue competing strategic frameworks. It is likely that different segments of the labor force will respond to drastically different models of unionism, including new forms of representation. In the long term it does not matter who is president of the AFL-CIO, which unions belong or even if the federation survives. Furthermore, workers have no interest in personal vendettas or friendships among labor’s elite. The future of the labor movement will be determined by unions’ ability to connect with workers, which ultimately will depend on creating strategic approaches that deliver voice, power, and leverage in the context of the new and evolving global economy.

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