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Comments on Papers by Eli Ginsberg and Jack Stieber

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It would be hard to find two more knowledgeable speakers on their respective topics than Eli Ginsberg and Jack Stieber. Consequently, to paraphrase the television commercial, when Eli Ginsberg speaks on labor force trends and Jack Stieber speaks on industrial relations prospects, we all should listen.

Despite the respective disclaimers about the risks of being soothsayers, they have both presented us with highly informative papers. I find little to disagree with in their presentations. I admire the pragmatic nature of their papers. They have said in frank terms what they believe the future will bring; they have not tried to say what they would like the future to be. Hence, in my role as a discussant, I will not try to second guess them. Rather, I would prefer to discuss the implications of some of their comments and I would also prefer to change the emphasis of several of their points.

With respect to Professor Ginsberg's paper, one of his themes pertains to the effects of future differences in demographic trends upon employment trends for minorities (i.e., blacks and Hispanics). He foresees that, relative to the declining employment opportunities in the Northeast and North Central States (i.e., the "frost belt states"), the minorities in the South and Southwest should "find the going better." I have long felt that discussions of minority employment patterns have failed to emphasize the critical importance of geographic factors. If we look at the so called

"sunbelt states" (i.e., the Southeast and the Southwest), it is a fact that over 60 percent of the black population and perhaps as much as 90 percent of the Hispanic population of the nation are already in this region. Moreover, the majority of the poverty population of both of these groups are to be found in this region. Thus, not only are most of the blacks and Hispanics already in the "sunbelt" but so are the most needy people (i.e., the impoverished) from both of these groups. Hence, in aggregate terms, the economic welfare of the black and Hispanic populations has been in the past, is now, and will certainly continue into the 1980s to be tied to developments in the "sunbelt states."

Stressing the importance of developments in the "sunbelt" to minorities does not mean that the problems associated with the large urban ghettos of most of ^{the} urban "frost belt" states are inconsequential. Rather, it is simply that for most of the past 20 years, public policy in the human resource development area has taken the minority problems of these states to be the top priority. Setting this region as the priority area has largely been based on political considerations rather than economic needs. The chronic human resource problems of the rural Southeast and of the urban Southeast and Southwest have received scant attention. Now as we enter the 1980s, I perceive that the growth potential for the sunbelt regions is now becoming the rationale for continued neglect of their needs. I would remind you that the first major civil disorders of the 1980s came in Miami which is about as deep in the "sunbelt" as you can go.

In the past, as is well known, the treatment of both blacks and Hispanics in the "sunbelt region" has been one of purposeful maltreatment and neglect. There have been substantial changes in recent years, of course, but the

negative legacy of past attitudes and practices has continued to dwarf the positive policy efforts of reform. Thus, the prospect of growth in employment opportunities in the "sunbelt" does not, in my estimation, offer much prospect of changing the distribution of employment opportunities in a beneficial way to blacks or Hispanics. Because we have not in the past made the region the primary focus of human resource policy initiatives, blacks especially but Chicanos too are most likely to be employed where they have always been employed in the past: at the bottom. The rural regions of the "sunbelt" are likely to continue to be incubators of mass poverty. The urban labor markets of the sunbelt are expanding in terms of labor demand but they are also increasing dramatically in terms of labor supply. Migrants from other regions--especially whites with higher education and better skills--are moving in droves to this region. The region has traditionally relied upon "outsiders" to meet its professional and skilled worker needs as opposed to developing its own human resources. I think it will continue to do this. In addition, the influx of immigrants (both legal and illegal) and of refugees from Mexico and the Caribbean area are pouring into the unskilled and semi-skilled labor pools of this region's urban labor markets. The growth in the supply of labor, therefore, is greatly increasing the competition for the jobs that are the result of the growing labor demand. Hence, I am far less optimistic about the hopes that Ginsberg holds out for minorities in the booming "sunbelt" of the 1980s.

This issue is also related to Professor Stieber's observation about the importance of unionizing the South if the labor movement in the 1980s is to offset its tendency toward decline that marked the 1970s. The

Southeast and much of the Southwest (with the possible exception of a few industries in southern California) has traditionally been very hostile to trade unionism. The presence of right-to-work-laws in many of these States--as noted by Stieber--is symbolic of the anti-union atmosphere that permeates throughout the region. The importance of trade unionism to worker welfare in the "frost belt states" has, I believe, long been overlooked when people manifest similar concerns for the welfare of "sunbelt" workers. Agriculture, for example, still is a major employer in the "sunbelt" but it continues to be excluded from coverage under the National Labor Relations Act. Likewise, the major manufacturing industry in the Southeast continues to be textiles. It was precisely the fact that the present Federal labor laws have so few meaningful sanctions and that the implementation of the laws can be subject to extensive delays that labor reform is so desperately needed. Illustrative of this point is the fact that just last week--after 17 years of struggle--union representation finally came to only 4 of J. P. Steven's 70 separate facilities in the Southeast. But, grudgingly, I must concede that Stieber is probably right that, despite the urgent need, there is little prospect that labor reform will be enacted in the near future. Nor is there even the slightest possibility that those states that now have right-to-work laws will repeal them or that the loophole in federal labor law that allows states to enact such repugnant laws will be plugged.

In this regard, I cannot help but add my belief that labor relations "in the sunbelt" developments/in the 1980s are likely to become increasingly violent. The sleeping giant of worker militancy in the "sunbelt" is showing signs of arousal. Because labor relations are still in a primitive stage of development relative to the "frost belt," I think many firms that are now moving

their work places to this region in pursuit of docile and non-union workers are likely to be in a for a rude surprise in the not too distant future.

There is only one item in the paper by Professor Ginzberg that I would like to challenge. He cites in this paper a conclusion by our mutual friend Professor Michael Piore. He says that "Michael Piore is probably right in arguing that natives [i.e., citizen workers] will reject certain jobs that newcomers [i.e., mostly illegal immigrants in Piore's context] will take." I have great problems with this conclusion. To begin with, I feel acceptance of this totally unproven hypothesis can lead to a conclusion that illegal immigration is not a very important domestic issue. If illegal immigrants are actually filling a void in the labor market, it is logical to deduce that the issue of immigration reform is a ripe topic for benign neglect. I do not believe this is true. I think that the presence of illegal immigrants in a growing number of labor markets creates a situation whereby it is difficult for citizen workers to compete. Illegal immigrants are often "preferred workers" because they are more likely to be docile and grateful for any opportunity to work. I also think they create a situation in agriculture, in service work, in small business, and in some areas of construction and light manufacturing whereby they constitute an alternative labor supply that prevents unionization. I will not elaborate here on my disagreement with Piore. I would only say that there are no facts to support Piore. When one compares the employment patterns of blacks, Chicanos, and youth with the employment patterns of illegal immigrants, they are almost identical. This suggests to me that it is likely that there is competition between them. Moreover, how can it be argued that blacks, Chicanos, and youths, will not work in certain low wage jobs when there are millions of them currently employed in those exact

occupations. I have repeatedly challenged Piore (and those who quote him) to name a single occupation or industry where illegal aliens are known to be present in which the vast majority of the workers in those same occupations or industries are now known to be citizen workers. So far, no one has responded to my challenge. I think it is only because the adverse employment effects of illegal immigrants are borne almost exclusively by low wage and politically weak groups in our society that the massive violations of our nation's already liberal immigration system are allowed to continue. Personally, I feel that the adverse effects of illegal immigration--not only in economic but also in political and social terms--are becoming so obvious to the non-academic community that there is a real prospect that there will be a successful effort made in the early 1980s to make our immigration system capable of enforcement.

There is one topic that is implicit in Ginzberg's paper but which is omitted in Stieber's paper which I feel should be made ^{both} explicit and be mentioned. It pertains to the future of affirmative action policy in affecting both labor force trends and industrial relations in the 1980s. I feel that affirmative action has been a major factor in opening up non-traditional occupations for non-minority females. I feel that it has been far less successful in helping the very groups that it was originally intended to serve: racial minorities in general and blacks in particular. Many non-minority females already have good educations; they have positive role models (in terms of fathers, uncles, and brothers); and they have access to reliable information channels. As a result affirmative action policies have been all that has been needed to open doors for many of them. But many minorities--male and female--have often lacked all of these. As

a result, the inclusion of all females in the same eligibility categories for affirmative action as all minorities has greatly helped the former to the detriment of the latter. In theory, of course, there should be no conflict. Affirmative action is supposedly based upon its own particular proportion of the local population or available skill pool. But affirmative action does not require that existing work forces be replaced in order to be in compliance. Changes in the composition of a particular organization are tied to filling job vacancies as they occur. In my view, this sets the stage for non-minority females--who are drawn from a pool that is generally more qualified and numerically more available than are minorities--to be the logical candidates to fill these limited vacancies. It is the results rather than the theory that, I fear, exposes the structural flaw that now exists in affirmative action policy.

To say this, of course, is to speak the unspeakable. But I foresee in the not too distant future, the necessity of redefining affirmative action to be a more narrowly focused policy measure if it is to be truly effective for minorities. This does not mean that the important and vital work that the US Equal Employment Opportunity Commission has done in eliminating non-job-related hiring practices should be abandoned. To the contrary, this work should continue. This work will help many groups of workers and especially all women. It is just that we are fast approaching the time in which we must learn to set priorities in the equal employment opportunity policy area. There are major differences in the income and employment experience of the races. The current fads of trying to include almost everyone--except non-Spanish-speaking white males between the age of 24-44 who are not handicapped--as a preference group simply is an inadequate

way to address the core problem of the major employment and income differences that exist on the basis of race.

In this vein, I wish Stieber had included a forecast about the expected inroads of equal employment opportunity policies upon industrial relations in the 1980s. Collective bargaining agreements in those industries in which they are present have much to say about job entry, promotions, layoffs, transfer rights, and training opportunities. As the decade of the 1970s was concluding, the courts were making increasing intrusions into this area. I would expect that this trend will continue but I am uncertain about what the response of the industrial relations community is likely to be.

Other than these concerns, I have no reason to question the wisdom of what Ginzberg and Stieber have predicted.