BEYOND SURVIVAL

Wage Labor in the Late Twentieth Century

CYRUS BINA
LAURIE CLEMENTS
CHUCK DAVIS
editors
LABOR AND HUMAN RESOURCES SERIES

LABOR STRUGGLE IN THE POST OFFICE
From Selective Lobbying to Collective Bargaining
John Walsh and Garth Mangum

MASS IMMIGRATION AND THE NATIONAL INTEREST
Vernon M. Briggs, Jr.

LABOR MARKET INSTITUTIONS IN EUROPE
A Socioeconomic Evaluation of Performance
Günther Schmid, Editor

UNION RESILIENCE IN TROUBLED TIMES
The Story of the Operating Engineers, AFL-CIO, 1960–1993
Garth Mangum and John Walsh

BEYOND SURVIVAL:
Wage Labor in the Late Twentieth Century
Cyrus Bina, Laurie Clements, and Chuck Davis, Editors
“Five men,” he said, “can produce bread for a thousand. One man can produce cotton cloth for two hundred and fifty people, woolens for three hundred, and boots and shoes for a thousand. One would conclude from this that under a capable management of society modern civilized man would be a great deal better off than the caveman. But is he?”

—Jack London, *The Iron Heel*
(Chicago: Lawrence Hill Books, n.d.; originally published 1907), p. 56

Is a tractor bad? Is the power that turns the long furrows wrong? If this tractor were ours it would be good—not mine, but ours. If our tractor turned the long furrows of our land, it would be good. Not my land, but ours. We could love that tractor then as we have loved this land when it was ours. But this tractor does two things—it turns the land and turns us off the land. There is little difference between this tractor and a tank. The people are driven, intimidated, hurt by both. We must think about this.

—John Steinbeck, *The Grapes of Wrath*

WILLY: Funny, y’know? After all the highways, and the trains, and the appointments, and the years, you end up worth more dead than alive.

—Arthur Miller, *Death of a Salesman*, Act Two
# Contents

Acknowledgments  ix

Introduction—Beyond Survival: Toward the Revitalization of Labor
*Cyprus Bina, Laurie Clements, and Chuck Davis* 3

1 Wage Labor and Global Capital: Global Competition and
Universalization of the Labor Movement
*Cyprus Bina and Chuck Davis* 19

2 Labor and Today’s Global Economic Crisis: A Historical View
*David C. Ranney* 49

3 Political Entrepreneurialism: Deregulation, Privatization,
and the “Reinvention of Government”
*Laurie Clements* 67

4 The Swedish Model: From the Cradle to the Grave?
*Norman Eiger* 87

5 Labor Relations and the Social Structure of Accumulation:
The Case of U.S. Coal Mining
*Michele I. Naples* 109

6 Shop Floor Relations: The Past, Present, and Future
of Mass Production
*David Fairris* 131

7 An Alternative Strategy: Lessons from the UAW Local 6 and
the FE, 1946–52
*Victor G. Devinatz* 145
8 Lean and Mean: Work, Locality, and Unions
   *Philip Garrahan and Paul Stewart* 161

9 The Future Is Already Here: Deskilling of Work in
   the “Office of the Future”
   *Vernon Mogensen* 177

10 Management Resistance to Change: A Case of Computer
    Information Systems
    *Elaine Bernard* 199

11 Legal Challenges Against Plant Closings: Eminent Domain,
    Labor, and Community Property Rights
    *David Schultz* 213

   Selected Bibliography 235

   Index 247

   About the Editors 257

   Contributors 259
Acknowledgments

The book's development began in the fall of 1990 as a publicized "call for papers" in conjunction with a conference titled "Labor Confronts the 1990s." The conference was the Midwest-Southern Regional meeting of the University and College Labor Education Association (UCLEA) and was held at the University of Iowa, Iowa City. The objective was to bring together and establish dialogue between labor educators and political economists to develop a theoretically informed practice necessary for labor's revitalization. The conference format enabled participants and presenters to share ideas and experiences surrounding the dynamics of the U.S. labor movement's decline, and explore practical plans of action for labor's renewal. The efforts of Roberta Till-Retz, who coordinated the conference, Clara Oleson, and Steve Dohrmann contributed significantly to the success of that program.

In the period following the conference, additional authors were solicited to participate in this collective effort. All the book's chapters were prepared exclusively for this volume, and the editors would like to thank the contributors: David C. Ranney, Norman Eiger, Michele I. Naples, David Fairris, Victor G. Devinatz, Philip Garrahan, Paul Stewart, Vernon Mogensen, Elaine Bernard, and David Schultz for their diligence and unwavering support in the completion of this project. However, the editors are not responsible for the views expressed by the contributors.

The purpose and to some extent the contents of this volume have been influenced by the work of several contemporary scholars/activists. We would like to thank Ben Fine, Anwar Shaikh, Kim Moody, Willi Semmler, and John Weeks for their ideological, methodological, theoretical, and practical guidance to the subject matter. Their assistance has been invaluable. Additionally, insights provided by Berch Berberoglu, Howard Botwinick, James Cypher, Reza Fazeli, Susan Himmelman, Stephen Marglin, Patrick Mason, Juliet Schor, Bryan Snyder, John Willoughby, and Behzad Yaghmaian have been much appreciated.

The editorial assistance from M.E. Sharpe, Inc., Publisher, has been both professional and extremely supportive, and we would like to offer a special thanks to Richard D. Bartel for believing in the book, and to Karen Byrnes.
Esther L. Clark, Christine Florie, and Stephen Dalphin for their perseverance in seeing the project completed.

We would also like to thank Dawn Addy, Bobby Bina, Penny Jo Hage, and Joyce Hegstrom for providing technical assistance.

Finally, a special thanks to our graduate students; and to all the workers who have attended classes, seminars, and conferences of the editors and taught them the real meaning of solidarity, struggle, and survival.
Beyond Survival
This page intentionally left blank
Introduction—Beyond Survival:
Toward the Revitalization of Labor

Understanding labor’s past, present, and its future revitalization requires a critical analysis that has to do with the nature of wage labor vis-à-vis capital, along with the corresponding labor organizations around the globe. One such approach is provided by the social relations school, which looks upon capitalism in terms of a historically defined mode of accumulation based on wage labor, rather than a natural or randomly given system of direct and transparent relations. Capitalism is a global social relation based on the antagonism between capital and labor, which is contingent on the subsumption and subordination of the latter by the former. The control and domination of labor by capital is the inner developmental force of capital as an inescapable social form. This is accomplished through material production and its accompanied ideological reinforcement that puts the world of technological change at the center of socioeconomic life, rendering the use of education and skills accumulated by workers redundant and reducing the value of labor power—the socially necessary labor time (per unit of output)—on an ever increasing universal scale. Trade unions emerged as a challenge to capital as a social relation, and play a pivotal role in the struggle against the effects of subsumption and subordination of labor under capital.

Capitalism is restructuring on a global scale to increase production of relative surplus value and, consequently, profit. This is occurring through the construction of a new international division of labor: “the restructuring of productive capital internationally and nationally to increase profitability as an element of the global whole,” supported by “the construction and consolidation of a new international role for financial capital.” The transnationalization of capital as a social relation has had a devastating effect on the value of labor power. The forces of capital accumulation and global competition are driving the majority of the
world's population into abject poverty. Global economic growth has fallen well below the levels of the 1950s and 1960s, "world per capita income fell in 1993 for the fourth straight year," and the world is now in the worst employment crisis since the Great Depression of the 1930s. Thirty percent of the global labor force is either unemployed or underemployed, and there is growing labor market inequality. "The gulf between the world's haves and have-nots is widening rather than narrowing." The rate of capital accumulation and increased capitalist competition have exerted downward pressure on the value of labor power expressed in declining real incomes for workers worldwide as a result of the rise in the global reserve army of labor, and the intensification of the labor process. These trends are illustrative of the long-term systemic development of capital as a global social relation.

The effects of capitalist restructuring are clearly evident in the United States. As of March 1995, four years after the last recession, the official unemployment rate was still above the prerecession low of 5 percent. The result is that since 1972, real average weekly earnings of nonsupervisory workers have declined by 20 percent. At present, nominal wages and benefits for the average worker have fallen for the first time since computation was being done in 1987, and after adjusting for inflation, represent a 3 percent decline in purchasing power. The number of full-time workers earning below the poverty level has increased by 35 percent since 1972. The latest data from the U.S. Census Bureau show that 18 percent of all year-round workers over the age of sixteen earn incomes below the poverty line. Between 1979 and 1992, the ranks of these workers rose by 44 percent. The number of workers without health insurance or pension coverage likewise has grown. Capitalist restructuring has led to layoffs and outsourcing of jobs, and the replacement of workers with part-time/temporary employees who earn significantly less than the former full-time employees. The number of contingent workers—workers who generally lack a permanent attachment to an employer and work on a temporary or contract basis—has increased by 33 percent. In 1993, contingent workers made up one-third of the workforce, up from a quarter in 1988. Workers who have been forced to find new jobs because of restructuring have taken, on average, a 20 percent pay cut.

To make up for a declining standard of living, workers are working longer hours. In September and October of 1994, the U.S. Bureau of Labor Statistics estimated factory workers put in an average of four hours and forty-two minutes of overtime a week, the most ever registered in the 38 years during which the agency has kept track. By May 1995, average hours worked by all full-time workers was forty-three hours and twenty-four minutes per week. Additionally, since 1970 the rate of labor force participation has risen by 10 percent as workers attempt to alleviate declining real wages.

Social capital’s global strategy for reducing the value of labor power continually degraded the standard of living for workers and increased wealth and income inequality. In the United States, the assets of the wealthiest 1 percent of the
population have grown as the population below the poverty line has swollen. The portion of the increase in national income going to labor is the smallest of any expansion in the past twenty years. In the first quarter of 1995, corporate profits were up 14 percent over 1994. Worker productivity has reached a new, higher level. Yet the improvement in productivity has not been passed on to workers—"The owners of capital are registering huge gains while ordinary working Americans are seeing their incomes fall." In October of 1994, U.S. Labor Secretary Robert Reich commented on this development in the United States:

We have the most unequal distribution of income of any industrial nation in the world... Unless we turn this situation around we're going to have a two-tiered society; we can't be a prosperous or stable society with a huge gap between the very rich and everyone else... As the economy grows, people who work the machines and clean the offices and provide the basic goods and services are supposed to share in the gains, but that hasn't been happening.

Since the late 1970s the connection between increases in labor productivity and the return going to labor has been cut in the United States. Increases in real wages are normally limited by improvements in labor productivity and, therefore, remain within the bounds of capitalist profitability. However, productivity increases are transformed into wage increases only when workers have the power to establish this linkage. Labor productivity has outstripped real compensation since the late 1970s, and at an accelerating rate after 1987. Between March of 1994 and March of 1995, average real wages and salaries fell 2 percent while labor productivity rose by 2 percent. For two decades, declining unit labor costs have increased the profitability of capital in the United States.

Struggles of labor organizations by their very nature embrace a fundamental class dynamic that is absolutely critical to the improvement in the general wage level. Union density declined from a high of 34 percent of the total workforce in 1956, to 15.5 percent in 1995. This has significantly eroded labor's bargaining power. Capitalist competition, labor-saving technical change, and the downward pressure of the reserve army of the unemployed have forced down real wages as labor productivity has grown.

The Role of the State

State policies are integrally related to the global restructuring of capital, the devaluation of labor power, and the growth in inequality of income and wealth. These policies can be understood in the relation of the state to the transnationalization of capital. The character of state intervention has shifted in line with the changing balance of class forces. Power has moved decisively toward global capital. State intervention on behalf of global capital undermines the
power of workers and their organizations. Trade liberalization policies, for example, increasingly promote a global low-wage and expendable laborforce. The redefinition of subsistence and, therefore, value of labor power is, in part, a product of public policy. "It is this combined impact of government-empowered employers and government-disempowered employees that has created, maintained, and now expands the world of marginal incomes and high unemployment."\(^{20}\)

In the United States, the state has intervened in such a way as to encourage and facilitate class polarization and growth of the low-wage workforce. The orchestration of unemployment through monetary policy, tax reform benefiting the wealthy, cuts in social spending, deregulation, privatization, attacks on trade unions, and hemispheric and global trade liberalization represent a consolidation of state intervention to benefit global capital and weaken organized labor. They represent new forms of intervention, not the state’s withdrawal from economic activity.\(^{21}\)

Government support of these policies has been framed in terms of the need to effectively compete in the world economy. Competitiveness is defined from capital’s perspective to sustain long-term profitability. Competition is the coercive force of global capital and the accumulation process. This is masked by defining competition in nationalistic terms, where nation-states are characterized as competing with each other, and the nation’s relative competitiveness is derived from increasing profitability. In reality, however, as Paul Burkett has astutely observed:

> the whole ideology of competitiveness serves to divide and rule workers, both domestically and internationally. Its real purpose is to facilitate acquiescence to the redistribution of income from wages to profits and to an economy which is increasingly incapable of producing positions of material comfort (not to speak of human fulfillment) for all but a shrinking minority. When taken to its logical conclusion the competitiveness strategy leads to a reduction of workers’ living standards to the lowest common denominator internationally.\(^{22}\)

**“New” Industrial Relations**

In the United States, one way the state has endorsed capital’s low-wage strategy of competition is by supporting and proposing initiatives to promote labor-management cooperation and productivity. The proposition is if U.S. industry is to reach relative competitiveness on a world scale, it must achieve more effective labor relations. Effective labor relations are defined primarily as improvements in labor productivity and labor control. Increasing labor productivity—both in terms of quantity of output and quality of performance—emphasizes cooperation between labor and capital. The path to global competitiveness, according to the state, requires a new era of nonadversarial labor relations based on “teamwork and mutual respect,” where a workplace is envisioned “in which
happy workers and fair-minded managers labor together harmoniously to increase corporate productivity and competitiveness."23 A more cooperative industrial relations system that encourages and increases worker participation is projected as a way to improve labor productivity, profitability, and capital's global competitiveness. Labor organizations are viewed positively as long as they are seen as facilitating such goals. Increased productivity is based on worker involvement in workplace decision making; and, according to this perspective, unions provide the best structure or vehicle for genuine employee involvement. As former U.S. labor secretary Ray Marshall recommends, "high-performance organizations require much greater worker involvement, which, in turn, is the most effective if workers have an independent source of power to represent their interests."24 Little if any notice, however, is given to the basic reason for the existence of unions: protecting and representing the needs of their membership in a conflictual environment.25

History has shown that when organized labor succeeds, it is not through cooperating with management to make the employer more competitive. Rather, its power has been derived from the acceptance of the adversarial nature of its relation with capital, and from its reliance on independent labor organization based on labor's distinct and incompatible interests with management. U.S. labor history, past and present, has been marked by hostility and conflict between labor and capital, with a fundamental contempt expressed for labor unions, in conjunction with a general unwillingness to accept and respect their existence. Yet the state feels compelled to convince labor that what is good for capital is good for wage labor. It is more than coincidental that this approach to industrial relations has arisen in an unprecedented period of global economic integration, restructuring, and competition. The fundamental underlying reason labor-management cooperation, increased productivity, and global competition are articulated together at the same time is that they are all part of the same vision—the drive to achieve unfettered freedom for social capital to exploit labor everywhere and to accumulate wealth, beyond the boundaries of nation-states, throughout the world.26

The attempt has been to create a caricature of labor unions as integral to and necessary for social capital's effective economic performance while, in actuality, it amounts to an ample opportunity to undermine the integrity and power of workers. Unfortunately, part of the labor movement supports this effort, and views labor's long-term survival, and the solution to the nation's economic problems of poverty, inequality, and low-wage economic development, to be dependent, in part, on a move toward a more nonadversarial approach to unionism that allows for more management "flexibility," "labor-management partnerships," and the "high-performance workplace." The tragic irony is that while recognizing that capital attempts, either with state assistance or acquiescence, to bludgeon labor organizations to death, capitalist ideology of cooperation and competitiveness continues to be accepted as a matter of faith.

Bound by the tradition of business unionism—unwillingness to accept the
relationship between capital and labor as fundamentally antagonistic—certain elements within the labor movement continue to extend their hand of cooperation to capital, and to work with business and government as partners in order to succeed in a world of capitalist competition. Business unionists fail to see the self-defeating and contradictory nature of partnership with capital when the maximization of profits and minimization of costs through labor productivity are all at the expense of workers. Working together for goals of increased productivity and quality are emphasized, while simultaneously, decline in unit labor costs, and competition among workers compel the unions to become subordinated to capitalist objectives. By requiring workers to compete with each other under a regime of labor-management participation, the collective power of unions is undermined. Traditional collective bargaining, on the other hand, attempts to take labor out of capitalist competition by establishing standards and, hence, minimizing competition among workers in the labor market. The policies according to “new” industrial relations have the opposite effect. They require workers to adopt capitalist norms of competition that put workers at each others’ throats. The “new American workplace” “has actually drawn a blueprint for the fragmentation of labor organization and the dispersal of its real power.”

The “new” regime of industrial relations is characterized by an alleged fundamental reconciliation of interests between capital and labor—where mutual interests are emphasized, and the existing fundamental, irreconcilable antagonism between labor and capital is ignored. The reality has shown otherwise. Capital as a social relation remains committed to expanding the production of surplus value through deepening the real subsumption and subordination of labor under capital—cheapening the value of labor power. The “new” approach to industrial relations is not so new after all. To be more competitive and more effective, workers have always been asked to participate in their own further subjugation under capital; to cooperate fully in the further exploitation of themselves by increasing the production of relative surplus value.

Strategies for Renewal

The chapters in this book offer a fresh and innovative approach to the dynamics of labor’s decline and proposals for policy initiatives necessary for labor’s revitalization. Emphasizing the conscious restructuring of capitalism on a global scale and its effect on class relations, the contributions challenge traditional economics and industrial relations’ wisdom and develop alternative theoretical and practical plans of action for labor as we approach the twenty-first century. Addressing general as well as specific issues of concern for labor in a variety of contexts, the book provides the basis for theoretically informed practice. A common thread that binds all of the selections is the recognition of the fundamental antagonism between capital and labor, and a commitment to independent, militant, adversarial unionism.
In the opening chapter, Cyrus Bina and Chuck Davis have gone beyond the internationalization of circuits of social capital, drawing on the transformation of world economy since the 1970s, proposing a unified conceptual framework compatible with it. They calibrate the global economy in terms of global competition and cheapening of labor power, and show how the transnationalization of the labor process is intimately related to the universalization of class struggle. The result, they argue, has also been the establishment of a newly formed global social relation with its own technological and institutional power structure, beyond the boundaries of nation-states. Globalization is a process that renders obsolete the international system centered around the building blocks of nation-state and national economy.

According to Bina and Davis, globalization in capitalism is a macro phenomenon that is universally contingent on the cheapening of labor power through ceaseless technological revolutions—hence the need for crises of restructuring in the face of symptoms such as the swollen ranks of the unemployed or the contingent armies of the working poor everywhere.

They further maintain that the post—World War II economy (and polity) known as Pax Americana, while facilitating the spread of globalization, has ultimately led to its own demise in terms of loss of hegemony and global relevance. The postwar American labor aristocracy, they point out, has been dependent on the hegemony of Pax Americana. Hence Bina and Davis, within a unifying framework, attribute the fall of the U.S. labor aristocracy to the rise of the globalization process, and point to labor’s revitalization through international labor solidarity.

In chapter 2, David Ranney combines the effects of globalization and the predicament of U.S. labor in the devalorization of capital. He defines devalorization as “the restructuring and/or destruction of firms, infrastructure, industrial capital, and driving down wages and living standards worldwide.” Well informed of the instabilities that are embedded in the periodic crises of restructuring, Ranney provides a critique of the existing theories and policies, from “smokestack chasing” to “capacity building,” profit squeeze, profit cycle, etc., before offering an alternative view, centered on the emergence of “supranational” corporations and the domestic “deindustrialization.” Here deindustrialization is clearly the flip side of transnationalization. Consequently, the management decisions to close the domestic factories seem “reasonable” and, indeed, “fit in with a rational global strategy for capital as a collective entity.” As for the labor agenda, he cautions about illusion of the generation of wealth according to just principles. As the size of the pie shrinks through devalorization, he warns, many workers—having no awareness about the limits of capitalism—may resort to all sorts of chauvinism in pursuit of their own “share.” Hence, Ranney’s singular emphasis is on the role of intellectuals and activists “to clarify the nature of the present situation.”

In chapter 3, Laurie Clements points out that the shift to the right in the
political arena has had a profound effect on the public sector. Over the past two decades, deregulation and privatization have become more pervasive elements that have affected government at all levels. The call from the Clinton administration to “reinvent government” is, he argues, an extension of the developments that occurred under the Reagan and Bush administrations. He suggests that this has led to a resurgence in political entrepreneurialism in which all parts of the public sector are being encouraged to structure their activities in line with private business practice.

Clements argues that this development has had an adverse impact on the public sector, which has become ever more squeezed of resources. Government is expected to do ever more with less. The faith in the market has become a national myopia, but he maintains that this has had the effect of changing and restructuring the role of government to more finely tune its policies to meet the needs of private capital. He remarks that under Reagan and Bush, the retreat from Keynesianism was more ideological than real, and contends that the demand to downsize government, deregulate, and privatize are part of a “grand illusion” that simply reducing government would enhance the economic well-being of the populace.

Clements concludes that while the problems of government administration are real, privatization and deregulation are quick-fix solutions to complex issues and are rooted in political opportunism. These solutions are based on an ideology of privilege that has already led to the greatest concentration of wealth in the twentieth century. This has been accompanied by social and urban devastation, and political alienation. Government must become proactive to solve the problems facing the nation. If government policies continue to be reconfigured to better serve the needs of the wealthy, the real losers are those most in need in our society.

In chapter 4, Norman Eiger provides a critique of developments that have occurred in Sweden over the past fifteen years. He argues that the Swedish model has gone through dramatic changes. He details the major policy initiatives developed by the Swedish trade union movement and the Social Democratic Party. The commitment to full employment was a cornerstone of the policy, and workplace programs were also designed to serve broader social ends. Active labor market policies facilitated the movement of workers by providing incentives to relocate, training, employment service support, and the use of the state as employer of last resort. Unions cooperated with wage restraint in inflationary periods. The labor movement, however, pushed for greater influence over investment policies of Swedish corporations, which culminated in the Meidner Plan in the late 1970s.

The plan was abandoned, as the free market ideology that affected many Western economies in the 1980s influenced Swedish economic policymakers. The use of rising unemployment to fight inflation quickly found its way into the Swedish model, leaving it unrecognizable to its earlier supporters. The Swedish
adjustment has fallen into line with other Western economies—higher unemployment, protection of the currency in international markets, and the distribution of wealth toward the owners of capital. Sweden developed its own version of “Reaganomics.” Eiger suggests this results from the global restructuring of capital as Sweden’s own large corporations have come to increasingly dominate the economy, and following the lead of other multinational corporations, increasingly locate their investments abroad. These changes, as the author outlines, have had broad-based repercussions in the political and social welfare arenas.

Eiger concludes that a fundamental transition has occurred in the economic and labor market dimensions of the model. The attempt to move beyond reformism toward social ownership and democratic control of the economy was soundly defeated, leaving international capital interests to drive the economy. Similar profound changes have occurred in the political dimension of the model, although the institutional welfare state appears to have been the lasting legacy of Sweden’s challenge to the hegemony of capital.

In chapter 5, Michele Naples deals with the labor relations in U.S. coal mining in terms of a paradigm known as the social structure of accumulation (SSA). From the framework of SSA, she introduces a set of ten generalizations that, in her view, would draw a parallel between the “institutionalization” of the SSA-type social relations, and ups and downs of labor in U.S. coal mining since World War II. Five periods are distinguished: (1) the period of contention before the dominance of postwar SSA; (2) the period of truce between coal operators and the union; (3) the unraveling of the truce; (4) the period of subsequent stalemate between coal operators and the union; and (5) the beginning of new experiments in labor relations by Pittston, giving a pivotal position to the Pittston strike of 1989. Naples also contrasts the SSA framework with other approaches to labor relations, including neoclassical theory, the institutionalist school, traditional Marxian theory, and the regulation school.

In chapter 6, David Fairris provides a historical perspective on the changing structure of workplace relations in the mass-production sector of the economy. He suggests that the active participation of rank-and-file workers in their unions gave way to a centralization of power within unions that emasculated their power on the shop floor. Unions became more bureaucratically centralized and labor relations more codified. Fairris refers to this development as “shop floor contractualism” in which conflict on the floor was increasingly managed. Collective bargaining, to use C. Wright Mills’s phrase, became a drainage channel for discontent, in which the grievance procedure served to channel disputes into a more manageable form. A new “accord” was forged that had important long-term consequences for shop floor labor relations, particularly the erosion of rank-and-file power at the point of production, and the appropriation of working conditions by employers in the labor process. This resulted, in the 1960s, he argues, in an increase in the level of shop floor discontent manifest in strikes over working conditions, wildcat stoppages, and an increased tension between
rank-and-file workers and labor leadership. It also served to depreciate productivity and reduce profit rates.

Fairris suggests that these changes provided the undercurrent for management programs promoting labor-management cooperation in the form of various quality programs in the 1970s and 1980s. This created a challenge to the contractualism of the 1950s and 1960s and resulted in significant concessions by unions as competition, both domestic and international, intensified. But whereas these developments have restored the decentralized bargaining of earlier decades, they more severely constrain independent worker activity.

Fairris concludes by projecting that the nature of the relationship between capital and labor at the point of production needs further change. He explores German and Japanese models of labor relations and concludes that the German model, while not ideally transferable to an American context, offers a high degree of plant-level organization that possesses significant power over determining shop floor outcomes. However, he is under no illusion that change can only be achieved through concerted activity at the point of production, in the broader community, and through the political process.

In chapter 7, Victor Devinatz points out important lessons to be learned from the institutionalization of collective bargaining. He suggests that the roots of the current crisis in the American labor movement can be traced back to the 1940s and 1950s, when the collective bargaining agreement had to be regarded as the “workplace rule of law.” He offers a historical perspective by comparing the experience of two Harvester plants organized by the UAW and the FE.

Devinatz suggests that the FE approach to bargaining was to reject the incorporation of unions into the economic status quo, a position, he suggests, more readily accepted by the UAW. This led to the UAW becoming increasingly bureaucratized as industrial conflict became ever more institutionalized. When the FE refused to sign the anticomunist affidavit, the CIO gave the UAW permission to raid the FE locals. Devinatz contends that the position of the UAW was consolidated in the industry but that power was increasingly removed from the rank and file. This process was replicated in other sectors of the labor movement. The erosion of shop floor power, however, became a major factor in reducing the ability of unions to withstand the onslaught of concessions in the 1980s. His final contention is that there is a need to rekindle the spirit of shop floor militancy that has not been seen in the American trade union movement for decades.

In chapter 8, Philip Garrahan and Paul Stewart demonstrate that “employee autonomy, upskilling, and knowledge enhancement” are factors that must be considered in a viable managerial strategy and its underlying manufacturing techniques. They argue that beneath the “flexible” and autonomous facade of lean production methods (LPMs), led by Japanese car manufacturers, there is a sinister side that can be attributed to a new mode of subordination, self-surveillance, work intensification, and the exclusion of independent unions. The case in point is Nissan’s giant production facility in Sunderland, United
Kingdom, where “the company ethos—the ‘Nissan Way’—is foregrounded at an early stage in the recruitment and training of new employees.” Yet Garrahan and Stewart report that the Nissan workers they interviewed “were anything but a happy family working as a team.”

This case study also sheds light on the interface of two overlapping dynamics in the global labor process, namely the region-locale peculiarities and capital-labor specificity. As a result, LPMs in auto manufacturing are to be viewed as a worldwide management initiative—indeed, a unified global theme capable of emerging in many divergent local variations.

Vernon Mogensen argues that the new “information age” has blurred the distinction between the assembly line and the modern office of today, thus subjecting the white-collar workers to, more or less, the same problems that governed the lives of traditional industrial workers. This is the subject of chapter 9. Similarly, it has also created a two-tier pool of deskilled, degraded, stressful, and expendable workers hostage to constant monitoring. The advancement of technology here has not apparently been liberating at all. Instead, it has greatly improved on the Taylorism of the old days.

He details the introduction of the video display terminal (VDT) in the “office of the future” by demonstrating its manifold outcomes, such as lack of career advancement, “technostress,” total submission to management, and abnormal miscarriages for U.S. office workers, some 80 percent of whom are women.

Mogensen maintains that the key to organizing U.S. office workers is a full-scale coordination and firm alliance with their foreign counterparts. “Without such effort,” he points out, “domestic attempts are bound to fail since work can be readily exported.” What are the major labor issues in this particular sector? He points to reproductive and ergonomic hazards of VDT-related work, comparable worth, parental leave, day-care provision, and national health care. Given that only 13.8 percent of the clerical workers in the United States are organized, the field is open, but the challenge for organized labor is how to articulate a unifying common ground that will be acceptable to all clerical workers and their industrial counterparts across the globe.

Offering a Canadian perspective on current challenges in the workplace, in chapter 10, Elaine Bernard provides a case study report of her research into management resistance to change. She argues and demonstrates that while much research focuses on worker resistance, much needs to be done to review managerial Luddism. Bernard argues that the driving force behind management resistance is the fact that work is being “re-Taylorized,” with the new systems challenging the authority of middle management. The threat is manifest in the use of centralized databases that allow senior management greater control over both costs and personnel, including middle management. This, she suggests, is a conscious management choice for purposes of control, not an inherent characteristic of the control system itself in terms of improved productivity and efficiency.

At the same time, Bernard argues, workers are increasingly encroaching on
management authority. Middle managers are often not informed of the implications of the changes that are being made, and frequently they do not have input into the design process of new work systems. She also found that while middle management complained that workers resisted change, this was not sustained by the research; even where jobs were at stake, workers were more positive toward technological innovation that would make their jobs easier or more interesting than were middle management. Her contention is that management resistance is rooted in the antidemocratic and authoritarian organizational structures of control that dominate workplaces. Computerization is welcomed by managers insofar as it enhances their control over workers and the production process. She concludes that new technology has become a “contested terrain” that workers seek to control work processes and management seeks to control workers.

Finally, in chapter 11, David Schultz shows an alternative avenue to support labor, capitalizing on the legal remedies against plant closing. Today, U.S. workers and their communities are bearing the brunt of the relocation of manufacturing plants. This has been continuously going on since the early 1970s. The social cost of unemployment has not only left a heavy burden on the shoulders of working people but also has created devastating effects on the lives of communities all over this nation. As Schultz observes, “the impacts of these closings are known to include such symptoms as chronic unemployment, reduced incomes, loss of savings and other property, and physical and mental health problems, [notably] alcoholism, physical abuse, divorce, and even suicide.” All these make up the cost of globalization, a capitalist strategy that has set forth many new fault lines in our society.

This chapter provides two sets of remedies: the use of eminent domain, and the claim of infringement on community property rights. Schultz explains the legal cases that set forth the precedents for exercising the option of eminent domain, namely Berman v. Parker, a U.S. Supreme Court decision in 1954, expanded by Poletown Neighborhood Council v. City of Detroit, City of Oakland v. Oakland Raiders, and Hawaii Housing Authority v. Midkiff. Similarly, he introduces the reader to the realms of breach of contract, promissory estoppel, and the implied contract, through all of which the assertion of rights to the community property seems applicable. He cites United Steel Workers of America v. U.S. Steel Corp. not as a lost cause but as a full-length mirror reflecting the reactionary political atmosphere that, from time to time, runs the judicial system of this country. Yet Schultz appeals to “a conscious strategy of litigation to pursue test cases that would be most favorable to establishing property or contractual rights” for labor.

Conclusions

Beyond Survival: Strategy for Labor’s Revitalization

The continued deterioration of working-class life under capitalism poses a serious challenge to organized labor. The failure of the labor movement to achieve
its economic, political, and social goals has led to the following conclusion: no longer business as usual. As Howard Botwinick has succinctly stated, there is a

[need] to develop viable strategies for militant, adversarial unionism in today’s increasingly competitive environment. [A need to] provide coherent alternatives to corporate calls for wage concessions, team concepts, and other forms of nonadversarial labor relations that are now supposedly required to “beat the competition.” ... the continued failure to develop viable labor strategies to effectively confront the forces of capitalist competition is proving to be devastating for the labor movement.29

Given the continued existence of conflict between labor and capital, the imperative to avoid company unions through independent labor organization is as strong as ever. Equally serious is the need for labor to organize on the same scale as capital. This is necessary to take wages and working conditions out of competition. Labor must organize globally to accomplish this task. Stewart Acuff describes the nature of increased militancy and wider worker organization needed for labor to achieve its goals:

What is militancy? It is our refusal to play by their rules. It is our refusal to be bound by their constraints. It is our refusal to allow them to set the terms and conditions of our struggle. Militancy includes the collectivization of our individual anger. It includes the conscious disruption of business as usual. It includes the breaking of the civic order or civil peace. It is the mobilization of our members and other constituents in nonviolent direct action and struggle. Militancy is one of the most effective means we have for altering the distribution of wealth and building power for our institutions and people. It is our responsibility to mobilize our members to struggle collectively for their future.50

Defending and demanding a better standard of living and a better way of life for workers require organization inside and outside the workplace. Supportive labor law reform is not enough. Successful organization requires a new orientation for labor built on democratic participation; militant, tactical innovation; strong labor-community alliances/coalitions based on rank-and-file and grassroots involvement; independent political action founded on a labor-based political party; and, most importantly, international labor solidarity.

Positive developments are occurring within the house of labor. Many labor organizations have already adopted a more expanded perspective on organizing. More must follow. Finding the right combination of local, national, and international efforts to revitalize the labor movement will require a process of economic and political experimentation that may even include a tendency toward the transformation of capitalist social relations. Yet the end of capital as a social relation requires revolutionary change.

The very first step toward the revitalization of labor is the recognition of the
historical fact that fundamentally there is no reconciliation between the interests of labor and those of capital, and that despite the sincere attempts of one side or the other in restraining itself from plunging into daily antagonisms that are brought to bear by the existing mode of accumulation, all the policies that are based on social harmony remain illusive, if not tantamount to outright lies. The reason is that the very existence of wage labor, a category par excellence in capitalism, embodies the seed of all antagonisms that would ramify the capitalist society. By recognizing this simple fact, workers and their organizations will be able to conduct themselves for better survival.

—The Editors
1995

Notes

10. LRA’s Economic Notes (May 1995).
12. LRA’s Economic Notes (May 1995).
13. Quote from U.S. Labor Secretary Robert Reich in Minneapolis Star Tribune (June 27, 1995): 1D.
17. Botwinick, Persistent Inequalities, 260

25. Ibid.


30. Stewart Acuff, “We’re not going to play by their rules,” *JwJ Newsletter, I’ll Be There*, 7, no. 3 (July 1994).
Selected Bibliography


