## FOUNDATION FOR LAW AND INTERNATIONAL AFFAIRS



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## FLIA Dialogue: Our labor unions are dead? -- Frances Fox Piven interviewed by FLIA

They are not dead, no. But they are "enormously weakened by 35 years' of employer attacks," said Frances Fox-Piven. And the political environment for American workers is "terrible."

The Foundation for Law and International Affairs (FLIA) recently interviewed Frances Fox Piven, as an episode of FLIA Dialogue, focusing on the current status and the historical changes of American labor unions.

Early in the history, labor was brutally suppressed. Corporations even hired a private police force – The Pinkertons – who were once even once bigger than the U.S. Army. "With clubs and guns," under the instructions from the corporations, this private police force was "regularly brought in by employers to bust union efforts."

In the 1930's, new legislation was passed and unions could effectively organize disruptive mass strikes, sit-downs, and other stoppages to their employers' production, or, more extremely, shut down the entire industry. Therefore, the union leaders were able to sign contracts with corporations that raised their standing. And the unions could guarantee smooth production for the period of time the contract indicated. There was a degree of labor peace in the American industry back then.

Nowadays, however, labor unions are in a very disadvantaged position. Part of the exogenous reason is that industries and mines, occupy relatively a small portion of American economy, meaning that the struggles of these workers would have limited impact even if there were strong unions. Plus, in other big sectors, such as fast-food

and retail, it is difficult for workers to unionize. Without effective organization, the struggles and negotiations against giant companies are simply not realistic for the workers, regardless of the severe attacks from the employers' side.

Moreover, the emphasis of labor rights activities has changed. From the unionized and subversive industrial strikes and trying to come to a contract with individual companies, it is now more about winning legislation that raises the labor treatment, such as higher minimum wages.

Let's take a look at the corporations. In the 1930's, corporations thought they were "better off" with the presence of the unions, because long-term agreements could be reached, which ensured that productivity would remain high for a period of time. And after the World War II, facing lack of competition from the other parts of the world, the profit was seemingly limitless for the corporations. Naturally, they were willing to pay higher wages in exchange for higher productivity.

However, after about 25 years of an ideal business environment, the foreign competitions surged, mainly from Europe and Japan. And the American companies had to maintain their profits by cutting costs. After a very short period of time, they discovered that they could do so without the harassment from labor unions and by working with lawyers to change policies. It also contributed to the strategy-shift of the workers – the main battlefields became legislatures and courts.

You may read the full interview here:

*FLIA*: Do you think the American labor movement is still relevant?

Piven: It's relevant, but it is ENORMOUSLY WEAKENED by 35 years' of employer attacks on labor unions, which makes it very difficult for unions to organize in new sectors of the economy. And because the old industrial sectors where unions were strong – those sectors have so diminished – unions are much weaker than they were. But, you know if you look at the public opinion polls, most Americans would like to join a union. But it is extremely difficult to join a union, and you can lose your job, and government protections for union rights are VERY, VERY WEAK. They're weak legally, and they're not vigorously enforced, either.

*FLIA*: What factors make it weaker than it was in the past?

Piven: In the 1930's, the big industrial corporations had come to the conclusion that they were better off with unions, not because they were sympathetic to labor's situation, but because there were the strikes – the spontaneous strikes that had spread through the industry were so disruptive to production. The reasoning was that if they signed contracts with unions, then at least during the life of the contract the unions would take on the role of ensuring uninterrupted production. That was a good bet. It worked. Not entirely – there were still wildcat strikes – but it helped to restore a degree of labor peace to American industry.

And after World War II, for about 25 years, American industry didn't have any competition internationally. The industries of Europe had been devastated, Japan was not a competitor, China certainly wasn't a competitor; China was starving. So, American industry could in a sense dominate the world and at the same time it could pay workers decent wages. It could do both. When competition with Germany and Japan – first – China came later – when competition emerged, gradually the American industry changed its position. It wanted to – because it faced competition, in order to sustain profits it had to lower costs.

At first, it lowered costs mainly by trying to press down on wages and by trying to reduce taxes which paid for government programs that unions supported, like social security, for example or unemployment insurance. So, they gradually discovered they could do it – they could get rid of unions. And they helped to create a whole secondary industry of labor-busting firms – mainly law firms – which was reminiscent of an earlier period in American history when the big industrial corporations hired the Pinkertons. The Pinkertons were a private police force. They were bigger than the U.S. Army. And they were regularly brought in by employers to bust union efforts – with clubs and guns. American labor history has been very violent in the past.

FLIA: But this private organization was legal?

Piven: The existence of the organization was legal. Whether what they did was legal is another question.

*FLIA*: There must have been some ways for the unions to protect their movement?

Piven: American working people had to struggle very hard to win the right to unionize, and they did not really win it until the mid-1930s. And when they won it, they won it because they had developed a capacity to shut down industry. We had mass strikes, sit-down strikes, where workers actually took over factories.

FLIA: Do you think there is still a good political environment for labor unions in the United States?

Piven: No, TERRIBLE. It's TERRIBLE.

FLIA: Would you like to talk more about this "terrible" political environment?

Piven: I don't think it's impossible for unions to recover, but they have a lot of challenges. One is that they're not going to recover and reproduce the unions in industrial production, or in mines, because those are not big sectors of the economy. And that's why you see now so much activism in retail work, in fast food restaurants, in Walmart, and those are harder sectors to organize. And it's interesting that a lot of organizing is taking place not just in the workplace, but in politics. So that, instead of trying to win a contract that guarantees workers \$15 an hour, they are trying through movement-like strategies, electoral strategies, to win legislation which establishes higher minimum wages as high \$15 dollars an hour.

FLIA: How do you think the labor unions can globalize? Do you think the American labor movement can have some impact on other countries?

Piven: Yes, but I think that other countries have already had impact on American labor because business is international. What happens to the establishments that a corporation has in one country can affect the policies it establishes in another country. About 10 years ago there was a very appealing strike of janitors, building janitors, in Los Angeles. One of the reasons that they won is that well-unionized workers in Belgium put pressure on the cleaning company that hires those janitors in the United States. It was the same company in Belgium as in Los Angeles, and the workers in Belgium helped put pressure on employer to grant union rights to janitors in Los Angeles. So, that can happen.

FLIA: Of course, they are different in each country. Well, thank you, Professor.