Labor Lost
August 25, 2005

by Dr. G. Terry Madonna and Dr. Michael Young

Labor Day in the United States traditionally has been an end-of-season holiday, a time to travel, to visit friends, and to mentally prepare for the annual back-to-school and back-to-work rituals that mark the waning days of summer. It has also been a time to reflect on the condition and prospect of organized labor in the United States.

Labor Day 2005 seems an especially propitious time to contemplate American labor--for the holiday this year finds the Labor Movement, both here in Pennsylvania and nationally, at a critical moment; driven by internal strife and battered by repeated failures and disappointments. In fact, many see American labor in crisis--poised for an irreversible long-term skid that has increasingly marginalized if not ended labor’s once-important role in American society and national politics.

Labor's descent has been painfully documented. Since the peak of its strength in the 1970s, union membership has dropped from roughly 33 percent to 12.5 percent of the work force. Worse, perhaps, labor members include just 8.5 percent of the private sector work force.

The reasons for labor’s steep slide are both economic and cultural. Two economic trends are paramount: the historic late 20th century shift from manufacturing sector to service sector jobs, and the explosion in job creation in advanced and high technology employment fields; both trends have been aggravated by off shore competition for new jobs. These economic transitions have made it harder for unions to organize workers.

Labor's failure to organize the private sector has been pivotal. Virtually all union growth in recent years has been in the public sector. At the same time, new jobs in high technology fields and in the small business sector have proved impossible to organize.

Cultural trends also have affected labor; today, unionism itself is less attractive to younger workers. The fundamental fact is that the new American worker--more educated, more entrepreneurial, and more likely to frequently change jobs--is just not that attracted to unions, and is not joining them today. Certainly few young workers identify with the labor movement, understand its roots, or know about the blood and sweat that historically were expended on behalf of the American worker.

Meanwhile, labor’s leadership is elderly, white and resistant to change--impervious to the evolving nature of work and unable to shift its organizational efforts to compensate for the decline in smoke stack industries and manufacturing.

Labor's failures and frustrations were poignantly illustrated this summer when several unions, including SIEU and the Teamsters, split off from the AFL-CIO, ostensibly in a dispute about tactics and strategy. The breakaway unions say they want to spend less time in political action and more in organizing new workers.

What we have here is a debate between two strategies--the current strategy of pursuing labor's goals through political activities versus an alternative strategy of putting resources into organizing workers in offices and
factories. But it is a debate that seems to come at the worst possible time for a union movement already under duress.

The current ferment among unions augurs profound political consequences. Labor currently is the backbone of the Democratic Party, especially in the Northeast and Midwest. In fact, the labor movement is an integral part of the Democratic Party--labor union members routinely serve on Democratic Party committees, and labor members make up fully one third of the participants in Democratic National Conventions.

So Democrats have the most to lose from labor’s decline, and Republicans much to gain. The absorbing political question then is whether the SIEU and other breakaway unions will move away from the Democrats toward the Republican Party. Is there an opening for the Republicans here, or is labor too committed to the Democrats to ever move away?

Pennsylvania illustrates labor’s political peril. Without labor, it is hard to imagine a viable Democratic Party here in Pennsylvania, and, perhaps, nationally as well. Pennsylvania remains a core labor state--albeit labor’s influence in the Keystone State, like its national influence, is much reduced. But in Pennsylvania the movement has hemorrhaged membership, especially in the old industrial areas. Labor’s share of the workforce has dropped by more than half. Equally significant, the now-aging workers, who remain union members and nominally Democrats, are some of the most conservative voters in the state--more conservative than many Republican voters in the Philadelphia suburbs.

What options does labor now have to reverse its fortunes and regain its stature?

Some conclude that labor’s problems are rooted in fundamental economic scarcity. At least one analyst (Jude Wanniski) believes labor's core problem is that real productivity in the American economy has declined to one percent or less since the 1970s. This shrinking economy, he says, is the real reason labor organizational efforts have met such fierce resistance from business groups.

Others have argued that labor should become more open to making workers a part of the capitalist system, for example, by supporting health savings accounts and private investment accounts in retirement, and being less concerned about traditional labor matters. But this prescription ignores or minimizes the problems of the workers who are part of the vast migration hordes from Mexico and Latin America and who need representation of the traditional sort.

In the end, the American labor movement has to decide what it is and where it wants to go in the 21st century. It’s clear that the old methods aren’t working; yet newer ideas haven’t been proven either. Great opportunities seem to loom; but there is little consensus in how to pursue them.

In its past, American labor has confronted towering challenges and achieved brilliant victories, and many of those challenges as well as those victories have occurred in Pennsylvania. But whether that celebrated past is auspicious prologue for the labor movement, or more ominously, a past now gone forever, is no longer clear.

What is clear, however, is that labor still controls its own fate, but only barely. Powerful social, political, and economic tides are running against it. Somehow labor must figure out how to stop going backward before it
can start to go forward again; the unrelieved hemorrhaging of membership must be stanched, and some unity and solidarity within labor must be restored.

Once, the survival of labor as an important political force in American society was a certitude, a rock solid assumption, undoubted, and unquestioned. As we observe Labor Day 2005, that survival no longer seems certain--indeed, there seems little certainty of any kind about the future of American labor.

--------------------
Politic\ally Uncorrected™ is published twice monthly. Dr. G. Terry Madonna is a Professor of Public Affairs at Franklin & Marshall College, and Dr. Michael Young is a former Professor of Politics and Public Affairs at Penn State University and Managing Partner at Michael Young Strategic Research. The opinions expressed in this article are solely those of the authors and do not necessarily reflect the opinions of any institution or organization with which they are affiliated. This article may be used in whole or part only with appropriate attribution. Copyright © 2005 Terry Madonna and Michael Young.