



Why Labor Needs a Plan B: Alternatives to Conventional Trade Unionism

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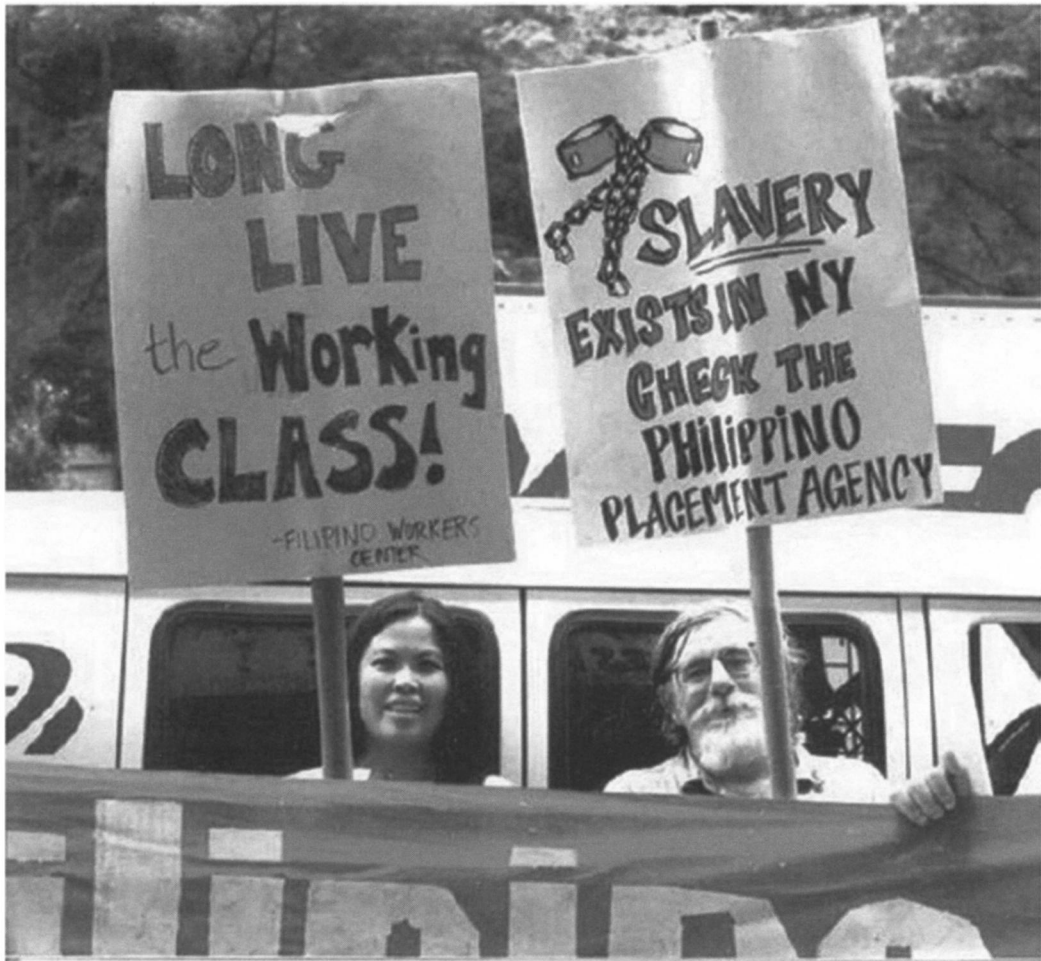


Photo credit: Naomi Zauderer

The Filipino Workers Center organized weekly protests outside the Philippino Placement Agency to recover unpaid wages for domestic/home care workers employed by the agency in the summer of 2001.

WHY LABOR NEEDS A PLAN B

Alternatives to Conventional Trade Unionism

THE RECENT CONSOLIDATION OF DEMOCRATIC MAJORITIES IN BOTH HOUSES OF CONGRESS (albeit by only one vote in the Senate) has revived the fortunes of the Employee Free Choice Act (EFCA), the labor movement's signature proposal for labor law reform which would reinvigorate the Wagner Act by enshrining card check

recognition into law. No one really expects the president to sign it and there may not be enough votes in the Senate for it to pass there, but labor has placed EFCA at the very top of its legislative agenda in order to open up a much broader conversation about how impossible it has become for workers to choose unions, and to make clear that it expects this democratic congress to be accountable to its chief beneficiaries.

The firing of workers during union organizing drives has become a daily, in fact an hourly occurrence. According to American

Rights at Work (ARAW), every twenty-three minutes, in the United States, a worker is fired or discriminated against for her support of union organizing. While vicious employer opposition is a main reason that unions are struggling, it is not the sole culprit. The mismatch between union models and contemporary business and industry structures as well as the mismatch between union models, firm structures, and New Deal labor and employment laws are major obstacles.

Today, most jobs are "born" nonunion, and nonunion firms are in the majority in most in-

dustries. As a consequence, it is extremely difficult to successfully organize individual companies that are embedded in largely nonunion industries. In this context, a one-firm-at-a-time worksite approach to organizing stands little chance of success. Instead, unions are endeavoring to organize across multiple firms within regional labor markets at once—"whole market" or "labor market" unionism. While a minority of unions have been developing effective strategies for unionization in this environment, the vast majority are struggling to stake out fixed points in the radically transformed world of work.

The decomposition of the vertically integrated firm with an embedded internal labor market has been accompanied by a dramatic increase in subcontracting and other nonstandard work arrangements. To maximize profit and minimize risk, and to avoid social insurance obligations and unionization, firms in many industries have increasingly turned to part-timing, subcontracting, and classifying workers as independent contractors rather than employees. Many workers have less job security and are less likely to access health insurance, pensions, and job training through their employers. It isn't just contracting out that is the issue. Even those workers still in traditional employment relationships are seeing their benefits packages curtailed. Only 50 percent of all private sector employees today receive their health insurance through their employers. Meanwhile our public policies are still stuck in the 1930s.

Most workers still need and want unions but they need the kind of union membership that helps them fill in the benefits and training

that is not available to them at their place of work, that is flexible and fully portable between employers. They need the kind of union membership that, whether they have a majority in their particular workplace or not, gives them access to a community and a vehicle to join with

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others to act together on workplace, industry, and larger public policy issues.

In addition to the strategies for organizing workers through large-scale industry-based leverage campaigns that are what the best organizing unions are now focused on developing, we need a set of alternative approaches for those workers for whom sectoral campaigns are either inapplicable or impractical. These are workers of all economic stripes who do not receive adequate training and benefits through their employers, who are not in long-term relationships with a single, traditional employer, and who are low-wage workers, residing in a world of fragmented industries and small employers. For them, restoring the New Deal order may not be nearly as effective as reaching even further back to ideas of craft, occupational, and benefits unionism, in which workers received their training, job placement, benefits, and employment security through their unions, rather than through their bosses. Unions also

provided access to banking, and built affordable housing. For these workers, today's technologies need to be harnessed in the service of a Next Deal order of building and supporting new work communities. Sound like a pipe dream? Consider this: AARP now has 35.7 million members, five million of whom get their health insurance through the organization. In 2004, the organization earned over a billion dollars from its health insurance business.

IN DEFENSE OF HOT SHOP ORGANIZING

IN A RECENT RESEARCH PROJECT ON ALTERNATIVE forms of worker organizations, I studied the emergence of worker centers in the United States. The number of worker centers has increased dramatically over the past several years, paralleling the enormously increased flow of specific immigrant groups to the United States, and the decline of organized labor. In 1992, there were fewer than five centers nationwide. As of December 2006, there are at least 160 workers centers in over ninety U.S. cities, towns, and rural areas.

While they often target particular employers as well as industries within local labor markets, worker centers are not worksite based. Unlike the traditional American union, most do not focus on organizing for majority representation in individual worksites, or negotiating collective bargaining agreements for individual groups of workers. Worker centers are hybrids that combine elements of different types of organizations including political parties, settlement houses, immigrant civic organizations, community or-

ganizing, social movement groups, unions, feminist consciousness-raising organizations, and producer coops. In many centers, ethnicity and language, rather than occupation or industry, is the primary identity through which workers come to know and participate in these organizations. Ethnic identity and the experience of prejudice are central analytical lenses through which experiences in and the organization of the labor market as a whole are understood.

Worker centers are organizing workers whom, in the contemporary period, traditional unions have either not tried to organize or not had a way of bringing into membership: taxi drivers, domestic workers, restaurant workers, retail workers, manual laborers, and small-time demolition, rehab, and home improvement workers. Some of these workers are covered by

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the National Labor Relations Act, but are not a target of choice for unions, others are categorically excluded from the National Labor Relations Act while still others are excluded based on their classification as independent contractors.

At the worker centers I observed, it was not unusual for a group of upset workers to come marching in with their co-workers, seeking help with organizing. While some of these workers wanted immediate help in resolving a specific situation, many times what they really wanted went beyond episodic protection—they wanted a union. But when worker centers tried to match these “hot shop” workers with the appropriate local unions, they became frustrated when they were unable to find one that was willing to take them on.

For more and more unions today, to agree to organize these workers would be a backward move. It would be “hot shop” organizing—precisely the approach they are trying to avoid. The most forward looking international unions today are rejecting reactive organizing that responds to whoever walks in the door, trying instead to build geographic density in specific industries through proactive, targeted campaigns. In fact, those unions that are most adept at organizing in low-wage industries are laser-focused on specific sub-sectors and key employers.

This leaves labor without a way to welcome workers into our movement when they are most inclined to join up. In many cases, while it does not make sense to organize these workers at the workplace through elections or card-check campaigns, it doesn’t make sense either to not provide them another way in. We need a Plan B.

WE NEED A COSTCO (CHEAP, BUT JUST) MODEL OF ORGANIZING

AERICAN UNIONS NOW REPRESENT ABOUT 8 percent of private sector workers, or about one worker in twelve. For the bottom fifth of American workers, the unionization rate is even

lower—about 5.6 percent. This is not just a story of footloose industries racing to the bottom through the offshoring of production. Of the nineteen million workers in the retail sector of the economy, only 5.3 percent belong to unions. Of the 15 million in the service sector, union density is about 3 percent. Of the 10 million in the healthcare sector, about 9 percent are union members, and of the 8.5 million in construction, 14.2 percent are union members (Hirsch and Macpherson, 2006). These are the workers that the Change to Win federation has in its cross hairs: but do they have a model to do what it will really take?

In the past twenty years, SEIU, the nation’s most innovative international union, has defied the overall trend, organizing substantial numbers of new members while most of the movement was shrinking. For ten years, the international has committed half of its budget of \$135 million to organizing (along with an \$84 million Unity Fund) and since 2004 it has required all local unions to put aside 20 percent of their annual budgets for organizing. Over the past ten years, the union spent one billion dollars to organize 900,000 workers, and now 600,000 are dues-paying members of the SEIU. At this comparatively brisk pace of organization, to reach a goal of unionizing 35 percent of the retail sector, it would take more than fifty years at a cost of five billion dollars. To reach that same goal in health care, it would take upwards of thirty years, at a cost of three billion, in construction, twenty-five years and about two and a half billion dollars.

What this ought to tell us is that deep-pocketed though labor may be, large sectoral organizing campaigns should not be our sole strategy. We can’t afford them and workers can’t afford to wait that long. We need a Plan B.

MISMATCHES AND MISSED OPPORTUNITIES

UNIONS ARE OFTEN MOST LIKELY TO FOCUS ON workers whose employment relationships can be traced to very large corporations (albeit via subcontracting supply chains). But this approach leaves out a lot of workers in the giant urban and suburban service sectors, many of whom are working for small employers, most of whom are neither directly connected to multinational corporations nor indirectly so through supply chains and subcontracting relationships. In 2005, according to a report by the Small Business Administration, of the twenty-six million firms in the United States, 97.5 percent had fewer than twenty employees. Cumulatively, small firms accounted for half of non-farm real gross domestic product, and generated more than 60 percent of net new jobs over the past ten years. If small firms are where so much of the action is in the U.S. economy, can the labor movement afford to ignore them? We know a worksite approach won't work, but don't we need another portal into membership?

While the world's most successful corporations reinvent and restructure themselves on a fairly constant basis, most unions have not dramatically altered their organizational and membership structures since they were first established. The result is a mismatch between firm and industry structures on the one hand and union structures of representation on the other. Consider the following examples:

You are an undocumented immigrant manual laborer in the burgeoning residential construction sector of Chicagoland. You worked in construction for years back in Mexico after completing sixth grade, and here

in the United States you have worked in the residential sector demolishing old structures, moving materials on the jobsite, hanging dry-wall, doing some welding, and for the past six months you have been working for a nonunion roofing contractor. You have an interest in im-

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proving your situation, and when you meet the Latino organizer of the local laborers' union you are very hopeful about joining up. But here is what he tells you:

- The local is not organizing residential construction right now (although the international is thinking about it)
- To become a member, you must go through the union's apprenticeship program but to get in you must have a high school diploma or GED
- You also have to have a social security number

You are a restaurant worker at a popular family-owned eating establishment in suburban Long Island with more than fifty employees. Your wages are low although the tips make the job worthwhile, but you have no health insurance or pension. Recently, you and your co-workers approached the Hotel and Restaurant

Employees union which is sympathetic to your situation, but here is what they told you:

- Right now the union is focusing all of its resources on the hotel industry and has no immediate plans to organize restaurants in your area
- You can't become a member of the union unless the whole shop is organized through an election

You are a low-wage worker in central New Jersey, working in one of the enormous warehouses that have grown up along exit 8a off the New Jersey turnpike. In the past three years, you have worked in restaurants, construction, nursing homes, and light manufacturing. You operate a forklift and the wages here are better, but the working conditions are dangerous, management is hard to communicate with, and you are looking for a way to provide health insurance for your family.

- You are actively involved in New Labor, a local worker center, and although they have explored possibilities, they tell you that there are no unions organizing in the warehouses. You ask whether you can join a union as an individual, avail yourself of training and sign up for health insurance, they tell you no. Can New Labor constitute itself as a group and access the union's plan? No, again.

You have been stocking the shelves at the Wal-Mart in a rural area of southwestern South Carolina for seven years. Although you have heard whispered discussions about efforts by other Wal-Mart workers to unionize, there has been no local discussion and you doubt a majority of workers at your local store would be

able to resist the corporation's pressure to vote no. But you are hungry to be part of a community of other Wal-Mart workers across the

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country that is talking about their jobs and how to improve the situation.

- You contact Wal-Mart Watch and they tell you that while they are running national campaigns aimed at improving conditions for Wal-Mart workers, they are not at this point actively organizing Wal-Mart workers into a union.

You are one of the 723,000 full- and part-time entrepreneurs who make their living selling things on eBay. Your workplace is your living room. You earn about \$45,000 a year and are hopeful you can build up your business even further. But you need health insurance and you would also like to learn more business skills. In your discussions online with other eBay entrepreneurs, you meet many others in the same situation: "You know what we really need," one of your cyber-friends remarks, "we need a union!" You go searching union websites online for something you might join, but you discover that none of them provide ways for individuals to join and receive the services you are looking for.

All of these workers need a Plan B. It won't be easy, and there will be many more failures than successes, but we have to try.

SIGNS OF A PLAN B EMERGENCE

THERE ARE A HANDFUL OF EXCITING PROJECTS BOTH within and outside of organized labor that stand out for their strategic Plan B approach. Some are just in the beginning stages, others have been around for several years. Some have already reached large numbers while with others it may be too soon to tell. All of them are nonmajority, nonworksite-based approaches.

Organizing 400,000 Home Care Workers

The greatest membership growth at SEIU in recent years has resulted from the organization of home health care workers who work for private agencies or individuals but are paid by the government for their services. Some of its largest victories in recent years (70,000 home care workers in California, 40,000 child care workers in Illinois) have come about through organizing this enormously diffuse workforce in campaigns that have necessitated organizing not only the workers, but in effect organizing employers so that there would be an employer-side entity that could be bargained with. These campaigns, several in conjunction with ACORN, the flagship community organizing network, were carried out primarily through community organizing because worksites are in people's homes and because they involved mounting major campaigns to win collective bargaining rights for these workers from the state. Work-

ers might not have had traditional workplaces but they had traditional workers' issues, and marched and rallied heartily to win improvements.

Freelancers Union

Founded in 1995 as Working Today, a national nonprofit membership organization of professional associations and individuals, the group "promotes the interests of people who are working on their own." The organization has established portable group rate insurance funds for freelancers, part-timers, employees, and entrepreneurs, and where applicable, facilitates employer contributions to the funds. It offers free consumer-oriented legal, tax, and retirement planning advice and also arranges for member discounts on travel, office supplies, and computers. Working Today has a research and policy arm that is working to build support to revise the federal ERISA law to allow nonemployer intermediary organizations to offer workers retirement plans with the same

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group structure afforded to large employers, to revise the tax code to allow all workers to deduct the cost of health insurance premiums

from both federal income taxes and social security or self-employment taxes, and to revise the tax code to allow independent workers the same access to medical spending, transportation, and child care breaks that are available to employees through employer-sponsored programs. Working Today is also working to develop and pilot new programs at the state level to allow independent workers access to unemployment insurance.

Worker Centers' Financial Services

Worker centers are working to broaden and deepen their impact, institutionalize a membership base and achieve financial sustainability. The Center for Community Change (CCC) and Community Financial Resources (CFR) working with the three national networks of worker centers (National Day Laborer Organizing Network (NDLON), Interfaith Worker Justice (IWJ), and Enlace began collaborating in the summer of 2005 to develop a financial services program for un- and under-banked workers looking for ways to save money on their financial transactions, while at the same time providing a mechanism for the centers to develop a dues-paying membership model. The first project is to design and distribute a stored value or prepaid debit card.

Prepaid debit cards work like debit cards tied to traditional bank accounts. They can be used to make purchases, obtain cash, and store money through cash loads, transfers, and direct deposit. Unlike most debit cards, however, they can also be used to remit money quickly, securely, and at very low cost. Another important feature is the acceptance of alternative forms of identification, such as *matricula consular* cards, to open new card accounts. Thus, these cards are not tied to local bank branches,

but in most other ways they function like other debit cards and cardholders receive a range of financial, educational, and customer services from worker centers.

Worker centers, acting as the marketing, distribution and service network for these cards, receive a revenue share from the card company. Most importantly, the cards offer an opportunity for the centers to sign up their members to have their membership dues automatically deducted on a monthly basis.

The services that the new debit card can offer, and the communications potential inherent in a new card holder network is intended to bolster the development of a new non-firm-based form of worker organization.

Working America

Founded by the AFL-CIO in 2004, Working America is an individual membership-based organization of people who share labor's public policy goals. The organization reaches out door to door to nonunion members in swing presidential states and congressional districts, and has been extremely successful at educating and mobilizing this base in support of labor's endorsed candidates. The organization now has 1.8 million individual members which puts it on par with the largest international unions in the United States today—the National Education Association and SEIU. This would seem to be the perfect base from which to experiment with a range of strategies for helping workers to address issues in their work lives.

The AFL-CIO and NDLON

In August, 2006, the National Day Laborers Organizing Network (NDLON) and the AFL-CIO announced a national partnership agreement in which the two organizations pledged

to work together. Specifically, the Federation committed to working with NDLOn to defeat anti-day-laborer-center bills in Congress such as the Sensenbrenner Bill (HR 4377), and to support immigration reforms that include legalization and a pathway to citizenship. Most significantly, the AFL-CIO president was authorized to issue Certificates of Affiliation to worker centers interested in joining state federations and central labor councils, and within a few weeks of passage, worker centers across the country were being actively courted to do so. The AFL-CIO also has plans to announce a similar partnership with Interfaith Worker Justice, a national network of eighteen interfaith worker centers.

NDLOn and the Laborers Union

NDLOn and the Laborers Union are beginning to experiment with models to conduct joint organizing of day laborers in residential construction. The idea is to try to bring together the best elements of each to offer low-wage immigrant workers at day laborer centers strategies for improving their wages and working conditions, and access to LIUNA's training facilities and benefits, and to offer LIUNA a vehicle for significantly expanding its membership base in residential construction. Discussions are underway between worker centers and local unions in Seattle, Washington, Silver Spring, Maryland, Austin, Texas, Long Island, New York, and Central New Jersey.

The American Federation of Teachers Affiliations

It turns out shrinks and dental hygienists want unions! The AFT in recent years has signed affiliation agreements with professional associations including the New York State Psychologi-

cal Association and the Illinois Dental Hygienists Association. Both associations were interested in growing their organizations and enhancing their political clout to achieve specific legislative goals. The psychologists, chafing under the burdens of managed care, wanted help reestablishing professional autonomy and reducing paperwork burden, as well as specific issues like raising reimbursement rates and raising the limits on the number of sessions psychologists can provide patients. The dental hygienists wanted help in rolling back Illinois' "direct supervision" licensing restriction requiring a dentist to be physically present while a hygienist was working on a patient. In addition, association members are able to access liability insurance, long-term care, and financial counseling through the union.

MyLife

SEIU is currently developing a new organization it imagines to be an AARP-style advocacy organization for workers which would create new work communities among workers who do the same type of work and provide health care, financial services, credit and employment counseling on a grand scale for workers in the eighteen to thirty-four year age group. The argument SEIU intends to make to employers is that they can "outsource their health benefits" to the union as the outsourcing company for their employees' benefits. Many of the services would be accessed through sophisticated and personalized Internet interfaces. As a worker moved from one job to the next, MyLife would be her permanent "work partner" through whom she would manage her career and financial affairs. The organization would provide a portable health record, and ongoing monitoring of physical conditions, track social security

benefits as well as provide information on job openings and résumé maintenance. Like AARP and the Freelancers Union, MyLife would be a national advocacy organization on issues of concern to these workers including the reduction of college costs and credit card fees and interest rates, and the improvement of health care.

ONE, TWO, THREE, MANY PLAN B'S

HOW CAN WE EXTRACT THE ELEMENTS OF A PLAN B approach from the efforts described in the previous section? First, although they may have worksite presence, none of them requires a model of exclusive representation at the worksite level in order to succeed. Second, they are all premised on nurturing powerful occupational, ethnic, and geographic communities of interest. Third, they are all efforts that seek to provide benefits, training, and information, tailoring these offerings to the needs of each individual worker for advancement and support in their job. Fourth, they aggregate workers together for collective action targeting a

specific employer, corporation, industry, or government body.

Plan B is not a “get members quick scheme.” The plan is not to reify benefits provision from movement building—both are necessary. Plan B is part “benefits unionism,” part “community unionism,” and part “occupational unionism.”

The projects described above are still the exception to the rule. Not all of them will succeed. In fact, projects like them have failed before. Questions to consider are: First whether the context is now sufficiently different that we ought to try again. Second, is success simply a question of strategy, or one of implementation in which targeting, marketing, branding, smart use of technology, and above all, adequate resourcing, are the key factors that determine success or failure. Would some of these projects be further along if they were more fully resourced and if more in labor were open to pursuing the internal structural and external policy changes necessary to grow them into full-size alternative unionisms? I don't know, but I think it is time to find out. ■