Political Cycles in Black Unionization

Evidence from the U.S. Public Sector

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Motivation

- Research in economics has extensively studied political cycles

- Main focus on how govt's manipulate budget to increase probability of re-election
  (Nordhaus 1975; Tufte 1978; Persson and Tabellini 2002; Brender and Drazen 2005)

- Less attention to how organizations' incentives and behavior change with elections

- In particular, no study linking how elections affect functioning of labor unions

Motivation

- Unions are a type of organization with strong political ties (especially to Dem)
  (Dark 1999; Feigenbaum et al. 2018)

- They affect elections and shape economic outcomes through policy and politics
  (Fouirnaies 2022; Chang 2001; Rosenfeld 2014; Schlozman 2015)

- However, no evidence on how elections affect labor organizing

- Relevant because unions impact workers' wages, pensions, health benefits

- And possibly reduce inequality by representing more disadvantaged groups
  (Farber et al. 2021)

This Paper

- Study how the political cycle affects incentives and behavior of public sector unions

- Individual-level data on U.S. public sector employees 1984–2020

- Exploit elections as exogenous pre-determined event (every four years)

- Compare unionization in election vs. non-election years

- Offer and test a possible explanation for the findings

Preview of the Results

- Increase of public sector unionization in presidential election years

- Effect is temporary and solely driven by Black workers

- Black union membership 3–5% higher in election years

- Effect larger where traditional Black voting mobilization institutions are absent

- In states where Democratic margin of victory was small in previous election

- And in open-seat elections

Mechanism

- Consistent with increase of union rates to better lobby politicians

- By targeting voters less likely to vote otherwise and more Dem-leaning

- Mobilize (Democratic) votes in exchange for favorable policy

- Incentive to show larger union membership as bargaining tool

- Election year is when this matters the most

- Pressure to show both high number and large increase of members

Background

What is a Labor Union

- Organization that has the right to collectively bargain for a group of workers

- In the U.S., unionization is at the bargaining-unit level
  - Bargaining unit is the employer (i.e., a firm or a government)
  - Different from many other countries, where it is at the industry level

- National unions typically divided into locals (e.g., AFSCME Council 31 in Chicago)

- Unions bargain over wages, promotions, terminations, working conditions

Labor Unions and Politics

- Unions donate to Dem candidates, mobilize voters, and lobby politicians

  (Feigenbaum et al. 2018; Ahlquist 2017; Dark 1999; Greenstone 1969; Rosenfeld 2014)

- In recent decades, they have shifted even more resources into politics

  (Farber 2006; Hacker and Pierson 2010; Lichtenstein 2013; Rosenfeld 2014)

- Most unions view political activities as a complement to their core activities

  (Feigenbaum et al. 2018)

- Labor unions mobilize voters by:
    - Helping with registration and to get to polling places
    - Educating on candidates and their political platforms
    - Get-out-the-vote campaigns ▸ Examples

Public Sector Unions Are Strong

- Strength and presence of labor unions drastically decreased over time ▸ Trend

- Decline mostly observed in the private (manufacturing) sector ▸ Public Sector vs. Manufacturing

- Half of union members are now in the public sector ▸ Change in Union Composition

- Public sector workers' perception of politicians' impact is larger
    - *'There is this idea that you are electing your own bosses'* [1]

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[1]Source: conversations with union officials

Mobilization of Black Voters

- Labor unions traditionally affiliated with Democratic party
  (Dark 1999; Feigenbaum et al. 2018)

- Mobilization of Black voters offers high returns:
  - Key Democratic voting bloc ▸ Party Affiliation by Race
  - Less likely to vote ▸ Turnout by Race

- Black workers also historically excluded from joining labor unions

- Increasingly crucial voting bloc for presidential elections outcomes
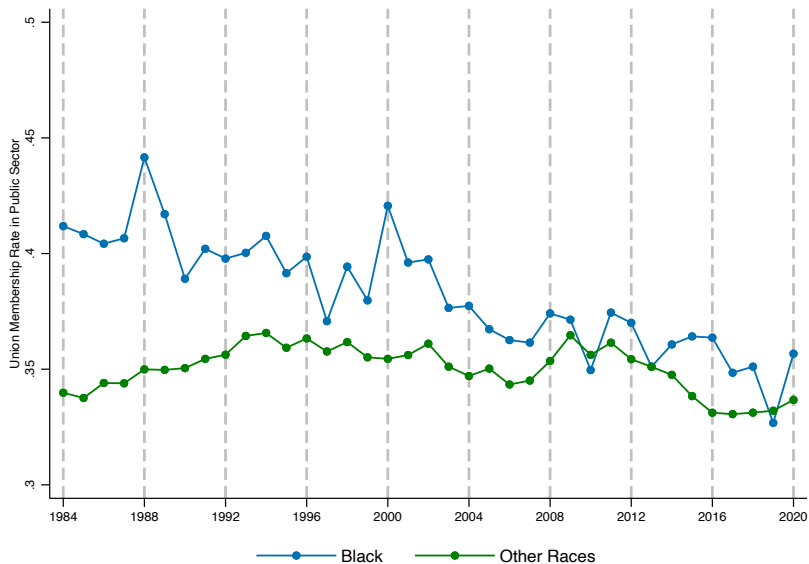
Data and Empirical Strategy

Data

- CPS Basic Monthly Surveys: 1976–2020
    - Representative sample of individuals, 15+ years old (in and out of LF)

- CPS Outgoing Rotation Groups (Earner Study): 1984–2020
    - Representative sample of employed individuals, 15+ years old (employed only)
    - Question on union status and weekly earnings

- Elections data
    - Presidential, gubernatorial, senatorial and mayoral elections
      (MIT Election Data Lab 2020; Ferreira and Gyourko 2014; Government websites)

- Data on NAACP branches and Black church membership

  (Gregory and Estrada 2019; Pew Research Center 2008)

Unionization by Race
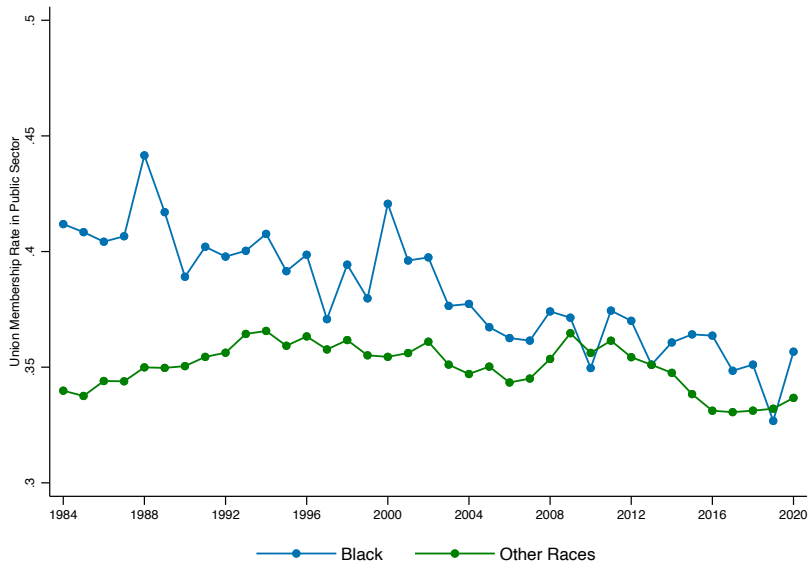
Unionization by Race

Empirical Strategy

$$Y_{it} = \beta_1 \text{Election}_t + \beta_2 \text{Election}_t \times \text{Black}_i + \beta_3 \text{Black}_i + \tau_{mst} + \theta X_{it} + u_{it}$$

- Election_t = 1 if election occurs in year t

- Black_i = 1 if worker is Black

- τ_{mst}: MSA $\times$ State $\times$ Time FE

- X_{it}: individual-level controls (e.g., worker's sex, marital status)

- Standard errors clustered at the state-level

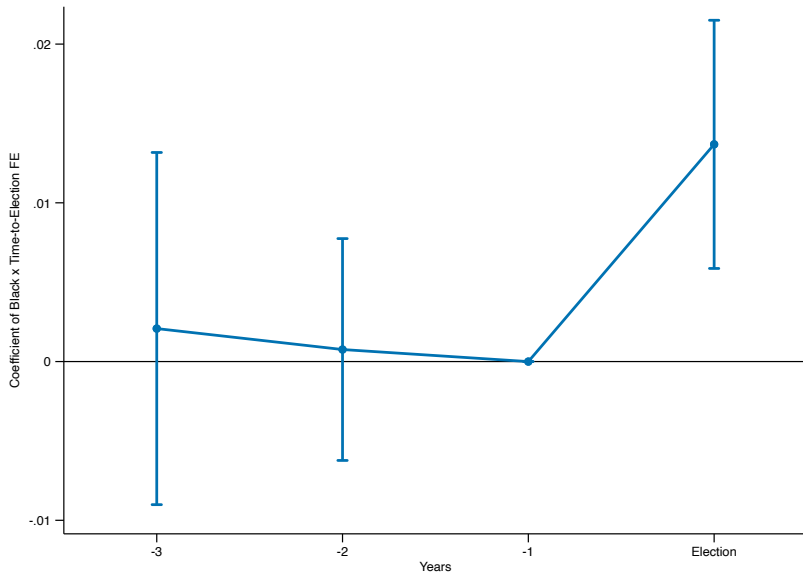# Results

Presidential Elections and Unionization

	$y = 1$ if Union Member			
	(1)	(2)	(3)	(4)
Election	0.001	-0.001	-0.000	
	(0.001)	(0.001)	(0.001)	
Election × Black			0.012***	0.012***	0.013***
		(0.004)	(0.004)	(0.004)
Black			0.022***	0.029***	0.029***
		(0.006)	(0.006)	(0.006)
Observations	812,395	812,395	812,395	812,352
MSA × State × Time FE	Term	Term	Term	Year
Controls	N	N	Y	Y
Mean Dep. Var. (Non-Election)	0.382	0.382	0.382	0.382

Standard errors clustered at the state level. *** p<0.01, ** p<0.05, * p<0.1.
Sample: individuals who are currently employed full-time as a wage or salaried worker in the public sector. Controls are dummies for sex and marital status.

No Increase in Overall Public Sector Employment

		$y = 1$ if Employed in Public Sector		
	(1)	(2)	(3)	(4)
Election	-0.001**	-0.001**	-0.001*	
	(0.000)	(0.000)	(0.000)	
Election $\times$ Black		-0.001	-0.001	-0.001
		(0.001)	(0.001)	(0.001)
Black		0.049***	0.055***	0.055***
		(0.004)	(0.004)	(0.004)
Observations	37,179,573	37,179,573	37,179,573	37,179,573
MSA $\times$ State $\times$ Time FE	Term	Term	Term	Year
Controls	N	N	Y	Y
Mean Dep. Var. (Non-Election)	0.136	0.136	0.136	0.136

Standard errors clustered at the state level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$.
Sample: civilians 15+ years old, who currently are in the labor force. Controls are dummies
for sex and marital status.

And No Increase in High-Unionization Occupations

	(1)	(2)	(3)	(4)	(5)
	$y = 1$ if Employed in Occupation ... in Public Sector				
	Educ.	Off. Supp.	Protect.	Health	Transp.
Election	0.000	-0.001***	0.000	0.000*	-0.000**
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Election $\times$ Black	-0.000	-0.000	-0.001***	-0.000	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Black	-0.004***	0.015***	0.006***	0.001**	0.007***
	(0.001)	(0.002)	(0.000)	(0.001)	(0.000)
Observations	37,179,573	37,179,573	37,179,573	37,179,573	37,179,573
MSA $\times$ State $\times$ Time FE	Term	Term	Term	Term	Term
Controls	N	N	N	N	N
Mean Dep. Var. (Non-Election)	0.034	0.024	0.012	0.006	0.005

Standard errors clustered at the state level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$.
Sample: civilians 15+ years old, who currently are in the labor force. Controls are dummies for sex and marital status.

Heterogeneity – Occupational Groups ▸ Timing: Local ▸ Timing: State ▸ Timing: Federal

	$y = 1$ if Union Member				
	(1)	(2)	(3)	(4)	(5)
Election $\times$ Black	0.016***	0.012***	0.011***	0.011***	0.003
	(0.004)	(0.004)	(0.004)	(0.004)	(0.005)
Election $\times$ Black $\times$ Education	-0.013				-0.002
	(0.012)				(0.012)
Election $\times$ Black $\times$ Admin. Supp. (USPS)		0.003			0.009
		(0.008)			(0.009)
Election $\times$ Black $\times$ Protective Service			0.017**		0.025***
			(0.008)		(0.009)
Election $\times$ Black $\times$ Healthcare				0.028	0.032
				(0.021)	(0.021)
Election $\times$ Black $\times$ Social Worker					0.000
					(0.010)
Election $\times$ Black $\times$ Transportation					0.034**
					(0.015)
Election $\times$ Black $\times$ Cleaning/Maintenance					0.014
					(0.016)
Observations	812,352	812,352	812,352	812,352	812,352
MSA $\times$ State $\times$ Year FE	Y	Y	Y	Y	Y
Controls	Y	Y	Y	Y	Y
Mean Dep. Var. (Non-Election)	0.382	0.382	0.382	0.382	0.382

Standard errors clustered at the state level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$. Sample: individuals who are currently employed full-time as a wage or salaried worker in the public sector. Controls are dummies for sex and marital status.

Quick Recap

Taking stock so far:

- Black unionization increases (temporarily) in presidential election years

- Effect is driven by local and state government jobs

- No evidence of increased public sector employment overall

Hypothesized mechanism:

- Recruit new members to offer votes in exchange of pro-labor policies

- By targeting Dem-leaning voters who would not vote otherwise

Testing the Mechanism

Hypothesized mechanism:

- Recruit new members to offer votes in exchange of pro-labor policies

- By targeting Dem-leaning voters who would not vote otherwise

If so, effect should be larger where return is higher:

- Where alternative voting mobilization is absent

- Dem swing states

- In more competitive elections

Heterogeneity – Presence of Black Church and NAACP

	$y = 1$ if Union Member				
	(1)	(2)	(3)	(4)	(5)
Election $\times$ Black	0.013***	0.021***	0.015***	0.029***	0.028***
	(0.004)	(0.007)	(0.005)	(0.009)	(0.008)
Election $\times$ Black $\times$ Black Church		-0.085		-0.119*	-0.089
		(0.057)		(0.063)	(0.057)
Election $\times$ Black $\times$ NAACP			-0.046	-0.084*	-0.081*
			(0.042)	(0.048)	(0.047)
Election $\times$ Black $\times$ South					-0.004
					(0.008)
Observations	812,352	812,352	789,402	789,402	789,402
MSA $\times$ State $\times$ Year FE	Y	Y	Y	Y	Y
Controls	Y	Y	Y	Y	Y
Mean Dep. Var. (Non-Election)	0.382	0.382	0.382	0.382	0.382

Standard errors clustered at the state level. *** p<0.01, ** p<0.05, * p<0.1.
Sample: individuals who are currently employed full-time as a wage or salaried worker in the public sector. Controls are dummies for sex and marital status.

Heterogeneity – Political Conditions

	$y = 1$ if Union Member			
	(1)	(2)	(3)	(4)
Election $\times$ Black	0.013***	0.004	0.011**	0.005
	(0.004)	(0.005)	(0.005)	(0.005)
Election $\times$ Black $\times$ Dem Governor		0.018**		
		(0.008)		
Election $\times$ Black $\times$ Dem Close Win			0.012	
			(0.014)	
Election $\times$ Black $\times$ Open Seat				0.019***
				(0.006)
Observations	812,352	812,352	812,352	812,352
MSA $\times$ State $\times$ Year FE	Y	Y	Y	Y
Controls	Y	Y	Y	Y
Mean Dep. Var. (Non-Election)	0.382	0.382	0.382	0.382

Standard errors clustered at the state level. *** p<0.01, ** p<0.05, * p<0.1.
Sample: individuals who are currently employed full-time as a wage or salaried worker in the public sector.

Robustness and Other Results

- Other elections ▸ Gubernatorial ▸ Senatorial ▸ Mayoral ▸ Presidential vs. Mayoral

- Swing states ▸ Table

- Race vs. low-income and low-education ▸ Table

- Earnings ▸ Figure: All ▸ Figure: Black vs. Other Races

- Sample in election vs. non-election years ▸ Table

Conclusion

- Higher union membership in presidential election years

- Increase is temporary and solely driven by Black workers

- Consistent with unions lobbying politicians by targeting voters:
    - More Democratic-leaning
    - Less likely to turn out to vote otherwise
    - Traditionally excluded from labor organizing

- Next:
    - Test the mechanism further
    - Identify policies unions lobby politicians for (general or group-specific)
    - Real economic effects (or lack thereof) of temporary increased unionization

Appendix

AFSCME
We Make America Happen

American Federation of State, County, and Municipal Employees

Political Action Representative I
Political Action Department

Based in Washington, DC

Political Action Representative I
Political Action Department
Location: Headquarters - Washington, DC
USU Grade: 8
Salary Range: $77,637 -$116,449

This position is responsible for developing, implementing, and monitoring political campaigns and electoral programs that support the goals and objectives of AFSCME's Political Action Department.

DUTIES:

- Provides mobilization support for federal, state, and local elections, including candidate, legislative, issue and PEOPLE fundraising campaigns.
- Manages field programs including, but not limited to, voter registration, member mobilization, voter contact and get-out-the-vote activities in assigned campaigns.
- Develops campaign plans with appropriate goals and benchmarks.
- Build solidarity amongst affiliates through regular joint table meetings, planning and program implementation.
- Develops relationships and works with allies, including other labor unions, progressive groups, candidates and parties to build progressive strength while representing AFSCME's interests.
- Assesses and tracks programs for AFSCME field operations, providing reports and analyzing data as required.
- Promotes and implements the PEOPLE program and represents the department at various forums and functions.
- Utilizes advanced targeting, data and research to enhance field programs.
- Conducts political training workshops in political motivation, campaign activities and member involvement to acquaint members with AFSCME's position on political, legislative and administrative issues and matters of importance.
- Assesses candidates on federal, state, and local levels of government to determine candidate viability and recommend degree of union involvement.
- Performs other duties as assigned.

The Washington Post
Democracy Dies in Darkness

POWERPOST

The Daily 202: SEIU will spend $150 million on 2020 elections, focused on mobilizing infrequent voters

Analysis by James Hohmann
Columnist | + Follow
February 27, 2020 at 10:18 a.m. EST

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with Mariana Alfaro

With Mariana Alfaro

The Service Employees International Union plans to spend $150 million this year to get out the vote for Democrats in November, its largest political investment ever.

The union will deploy canvassers across more than 40 states, but its efforts will mainly focus on turning out infrequent voters from the African American and Latino communities across the eight battleground states of Colorado, Florida, Michigan, Minnesota, Nevada, Pennsylvania, Virginia and Wisconsin.

SEIU President Mary Kay Henry previewed the strategy to defeat President Trump during an extended interview in her office off Dupont Circle in Washington. The union, which represents 2 million members, has opted not to endorse in the presidential primary, at least for now, but to focus instead on building a massive field operation to help whoever emerges from the convention this summer, as well as Democrats down the ballot.
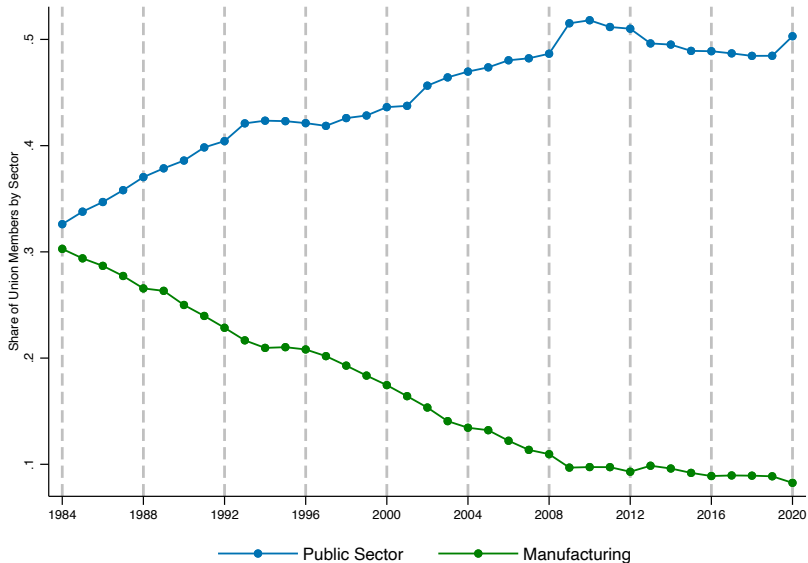
Union Membership Over Time
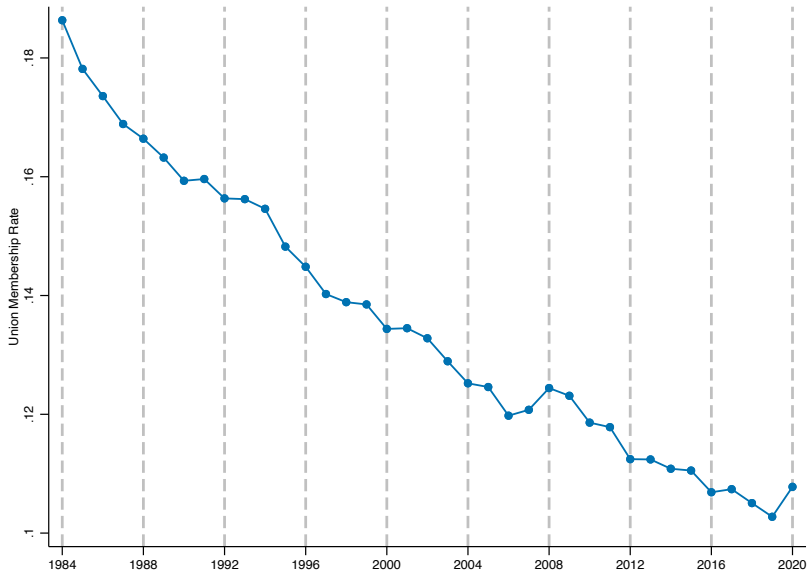
Union Membership by Sector Back
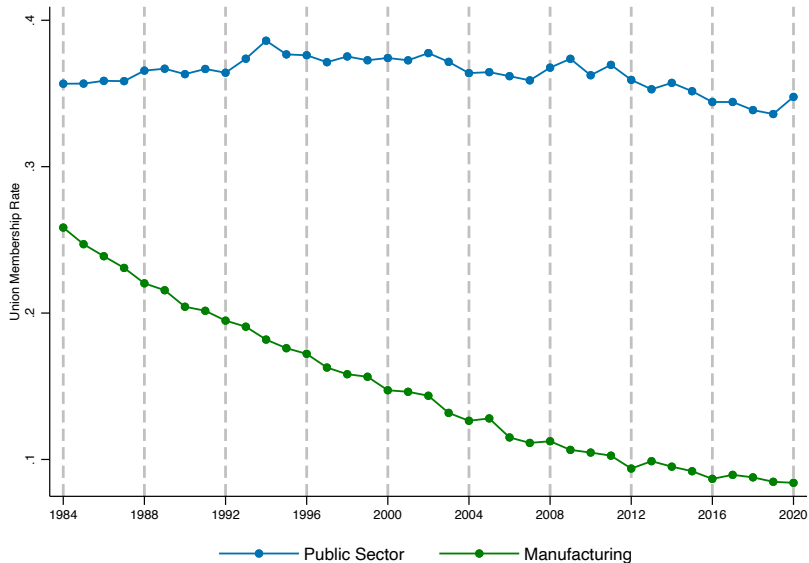
Composition of Union Members
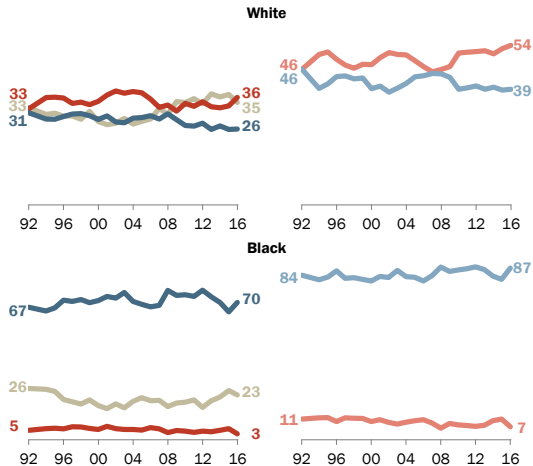

Share of Union Members by Sector

Public Sector ———— Manufacturing ————

Party Affiliation by Race ▸ Back
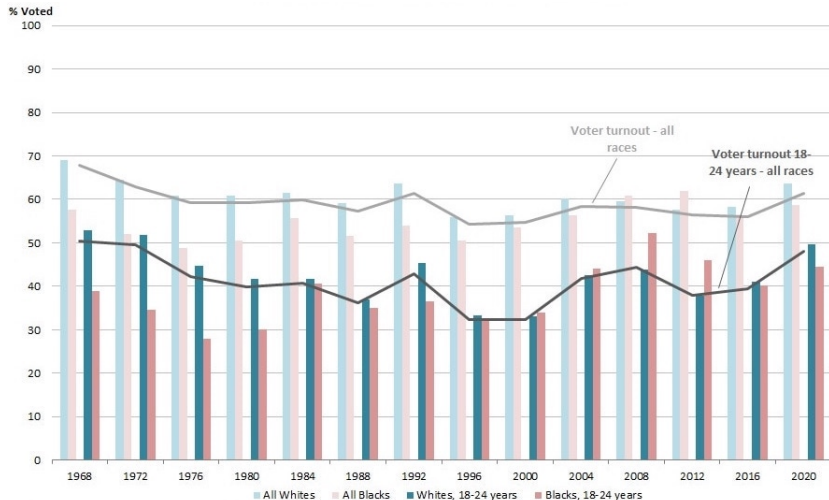
% of registered voters who identify as …

— Rep — Dem — Ind — Rep/Ln Rep — Dem/Ln Dem

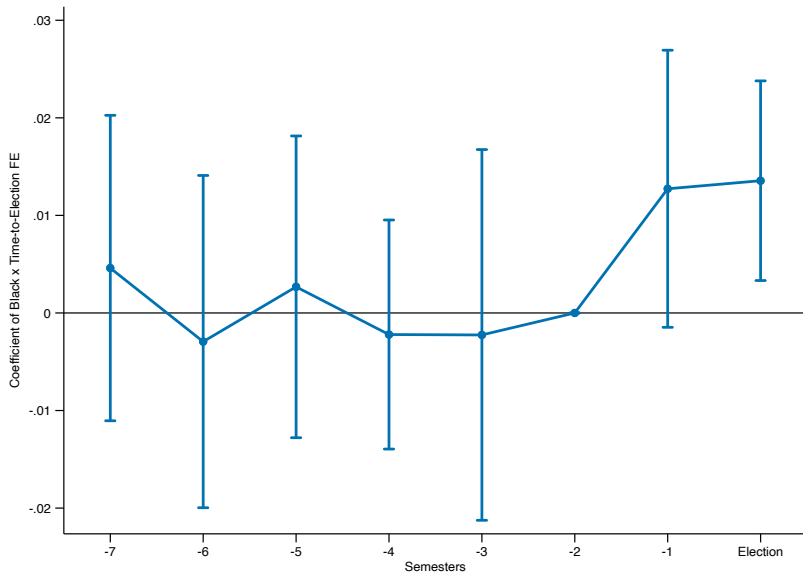Source: Annual totals of Pew Research Center survey data.

Turnout by Race
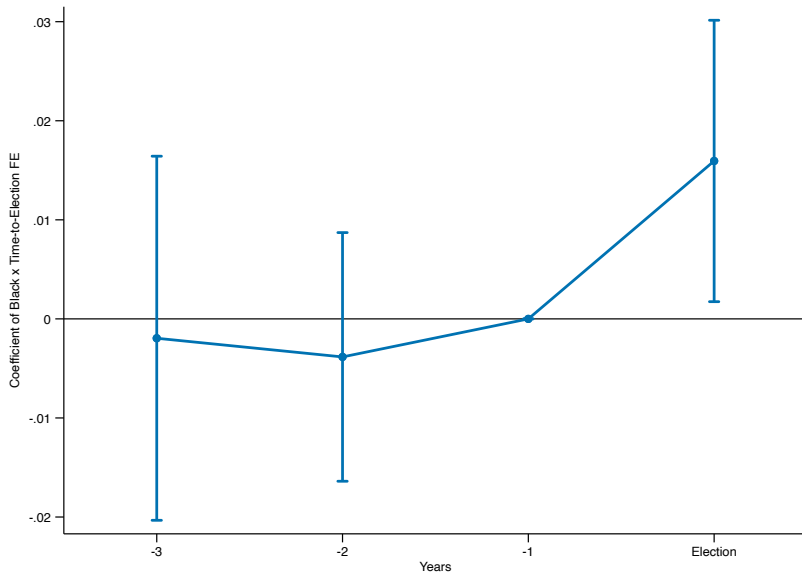

Source: CPS Voting and Registration Supplement.

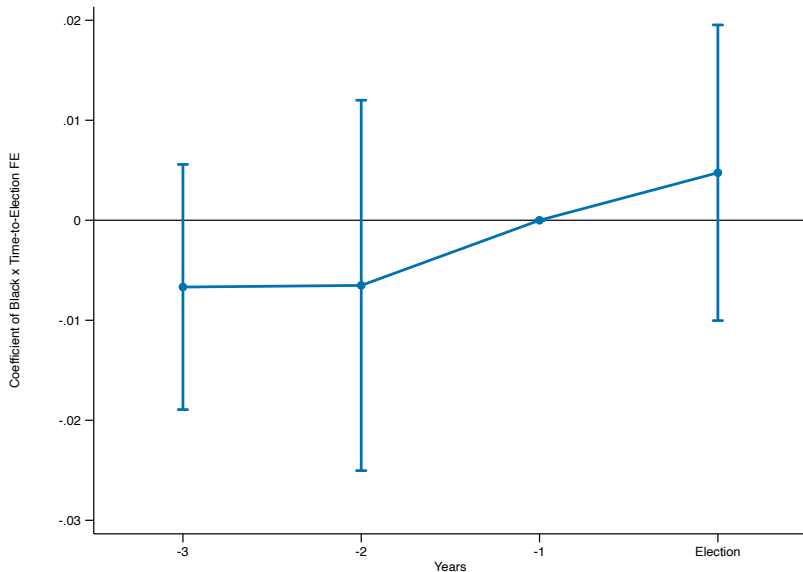# Timing – State Government
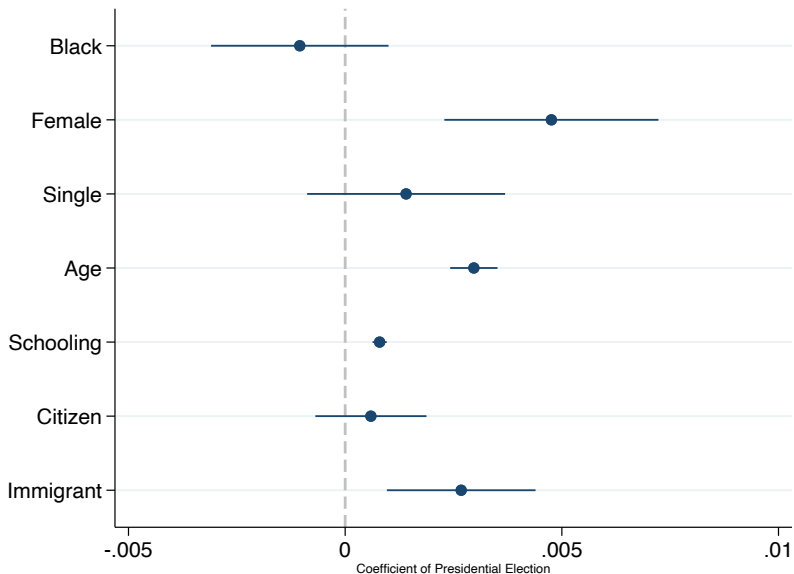
Timing – Federal Government
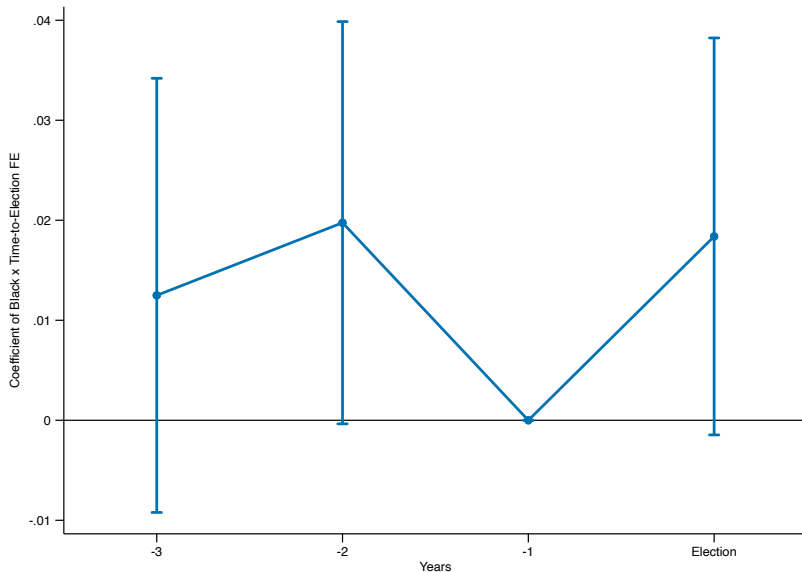
Balance Election vs. Non-Election Years

Gubernatorial Elections and Unionization ▸ Back

	$y = 1$ if Union Member			
	(1)	(2)	(3)	(4)
Election	-0.000	-0.001	-0.001	
	(0.001)	(0.001)	(0.001)	
Election $\times$ Black		0.002	0.002	0.000
		(0.004)	(0.004)	(0.004)
Black		0.023***	0.031***	0.031***
		(0.006)	(0.006)	(0.006)
Observations	792,592	792,592	792,592	792,549
MSA $\times$ State $\times$ Time FE	Term	Term	Term	Year
Controls	N	N	Y	Y
Mean Dep. Var. (Non-Election)	0.382	0.382	0.382	0.382

Standard errors clustered at the state level. *** p<0.01, ** p<0.05, * p<0.1.
Sample: individuals who are currently employed full-time as a wage or salaried
worker in the public sector. Controls are dummies for sex and marital status.

Senatorial Elections and Unionization

| | | $y = 1$ if Union Member | | |
	(1)	(2)	(3)	(4)
Election	-0.000	-0.001	-0.001	
	(0.001)	(0.002)	(0.002)	
Election $\times$ Black		0.004	0.004	0.004
		(0.003)	(0.003)	(0.003)
Black		0.023***	0.030***	0.030***
		(0.006)	(0.006)	(0.006)
Observations	792,592	792,592	792,592	792,549
MSA $\times$ State $\times$ Time FE	Term	Term	Term	Year
Controls	N	N	Y	Y
Mean Dep. Var. (Non-Election)	0.385	0.385	0.385	0.385

Standard errors clustered at the state level. *** p<0.01, ** p<0.05, * p<0.1.
Sample: individuals who are currently employed full-time as a wage or salaried
worker in the public sector. Controls are dummies for sex and marital status.

Mayoral Elections and Unionization

	$y = 1$ if Union Member			
	(1)	(2)	(3)	(4)
Election	-0.000	0.001	0.001	
	(0.002)	(0.002)	(0.002)	
Election × Black		-0.005	-0.006	-0.008
		(0.005)	(0.005)	(0.005)
Black		0.030***	0.036***	0.037***
		(0.006)	(0.006)	(0.006)
Observations	345,799	345,799	345,799	345,795
MSA × State × Time FE	Term	Term	Term	Year
Controls	N	N	Y	Y
Mean Dep. Var. (Non-Election)	0.419	0.419	0.419	0.419

Standard errors clustered at the metropolitan area level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$.
Sample: individuals, who are currently employed full-time as a wage or salaried worker in the public sector, and reside in a metropolitan area. Controls are dummies for sex and marital status.

Presidential vs. Mayoral Elections (Local Government)

	(1)	(2)	(3)	(4)
	$y = 1$ if Union Member			
Presidential Election	0.000	-0.001	-0.001	
	(0.002)	(0.002)	(0.002)	
Presidential Election $\times$ Black		0.009	0.010	0.012
		(0.006)	(0.007)	(0.008)
Mayoral Election	-0.002	-0.003	-0.003	
	(0.003)	(0.003)	(0.003)	
Mayoral Election $\times$ Black		0.003	0.002	0.001
		(0.006)	(0.005)	(0.006)
Black		0.000	0.007	0.007
		(0.008)	(0.008)	(0.008)
Observations	170,600	170,600	170,600	170,591
MSA $\times$ State $\times$ Time FE	Term	Term	Term	Year
Controls	N	N	Y	Y
Mean Dep. Var.	0.499	0.499	0.499	0.499

Standard errors clustered at the state level. *** p<0.01, ** p<0.05, * p<0.1.
Sample: individuals who are currently employed full-time as a wage or salaried
worker in a local government, and reside in a metropolitan area. Controls are dum-
mies for sex and marital status.

Heterogeneity – Battleground States

	$y = 1$ if Union Member		
	(1)	(2)	(3)
Election $\times$ Black	0.011*	0.015**	0.012***
	(0.006)	(0.007)	(0.004)
Election $\times$ Black $\times$ Vote Margin	0.013		
	(0.042)		
Election $\times$ Black $\times$ Vote Margin < 10pp		-0.005	
		(0.011)	
Election $\times$ Black $\times$ Vote Margin < 5pp			0.001
			(0.010)
Observations	812,352	812,352	812,352
MSA $\times$ State $\times$ Year FE	Y	Y	Y
Controls	Y	Y	Y
Mean Dep. Var. (Non-Election)	0.382	0.382	0.382

Standard errors clustered at the state level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$.
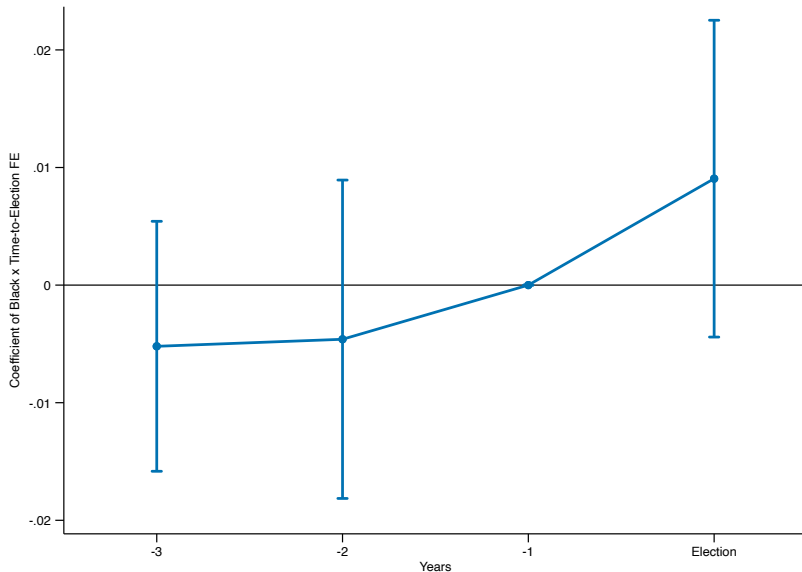Sample: individuals who are currently employed full-time as a wage or salaried worker in the public sector. Controls are dummies for sex and marital status.

Earnings – All ▸ Back
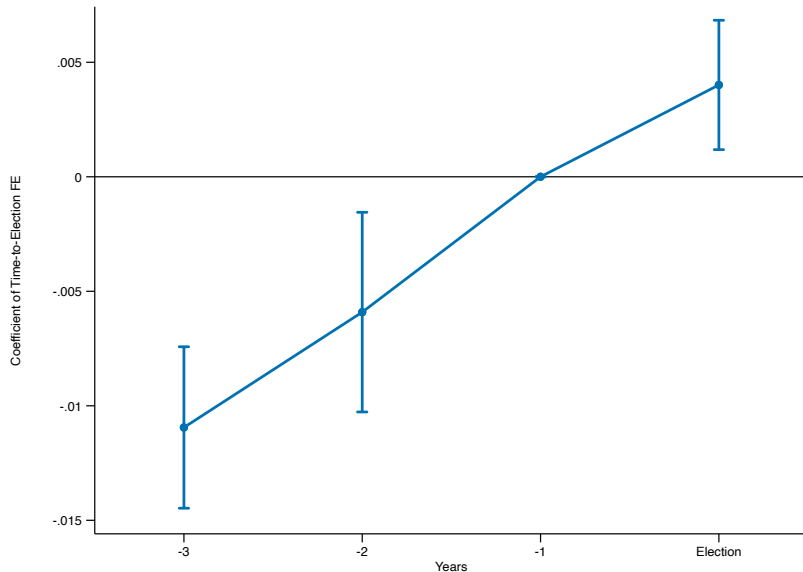
Earnings – Black vs. Other Races ▸ Back

Low Income and Low Education

	$y = 1$ if Union Member		
	(1)	(2)	(3)
	Continuous	<25pctile	<50pctile
Election × Black	0.012***	0.012***	0.012***
	(0.004)	(0.004)	(0.004)
Election × Earnings	-0.000	0.002	0.005
	(0.000)	(0.004)	(0.004)
Election × Years Schooling	0.001	-0.003	-0.005
	(0.001)	(0.004)	(0.003)
Observations	811,829	811,829	811,829
MSA × State × Time FE	Year	Year	Year
Controls	Y	Y	Y
Mean Dep. Var. (Non-Election)	0.382	0.382	0.382
Mean Dep. Var. (Non-Election & White)	0.387	0.387	0.387

Standard errors clustered at the state level. *** p<0.01, ** p<0.05, * p<0.1.
Sample: individuals who are currently employed full-time as a wage or salaried worker
in the public sector. Controls are dummies for sex and marital status.