Preface

Labor versus Ownership

In his New Nationalism speech, delivered on August 31, 1910, President Theodore Roosevelt stated:

> The right to regulate the use of wealth in the public interest is universally admitted. Let us admit also the right to regulate the terms and conditions of labor, which is the chief element of wealth, directly in the interest of the common good. The fundamental thing to do for every man is to give him a chance to reach a place in which he will make the greatest possible contribution to the public welfare... No man can be a good citizen unless he has a wage more than sufficient to cover the bare cost of living, and hours of labor short enough so after his day's work is done he will have time and energy to bear his share in the management of the community, to help in carrying the general load. We keep countless men from being good citizens by the conditions of life by which we surround them. We need comprehensive workman's compensation acts, both State and national laws to regulate child labor and work for women, and, especially, we need in our common schools not merely education in book-learning, but also practical training for daily life and work.[1]

In more than 75 percent of American industries, the vast majority of profits are controlled by an exceedingly small number of companies. There are, for instance, only eight companies controlling more than 90 percent of all internet traffic. This is a situation known as an "oligopoly," in which a very small number of wealthy owners control the vast majority of profits in an industry. The steel industry, the medical insurance industry, the student loan industry, and the banking industry are the same. Companies do not exist for the benefit of consumers or for employees of the companies, companies in the capitalist system are profit-making entities that exist entirely for the benefit of owners. The degree to which a company shares the company's profits with employees or passes on profits in the form of savings to consumers is determined by the wishes of owners beyond certain minimum standards set by the state, in terms of things like meeting minimum wage requirements. Even these minimum standards of wealth distribution do not control corporate greed, because companies are also free to seek out exploitable labor overseas or to replace full-time workers who are due benefits with "independent contractors" who have no rights to demand fair treatment.

The ownership class increases profits by limiting expenditures, and this includes pay and benefits provided to workers. Between 1979 and 2024, the American economy has grown massively and has become far more productive. Productivity measures how much income is created. Over this time period, productivity in America has risen by 80.9 percent, but hourly pay has only risen by 29.4 percent. As the economy has grown, and more income has been created, these profits have not been passed along to workers. This disparity, called the "productivity gap" reflects the degree to which America's ownership class has hoarded the wealth of the past generation's work. This happens in every generation, and it happens because keeping workers in a state of economic need benefits the ownership class. Desperate workers are more likely to accept inequitable work, because they lack options, and less likely to advocate for their own advancement, out of fear of falling into further financial instability.[2]

This kind of exploitation can be traced back to the very beginnings of America and, in fact, further, to the pre-Revolutionary period when the government of England dominated the economy for the benefit of wealthy oligarchs back in England, and a few wealthy landowners among the colonists. The American Revolution didn't really change this as much as it allowed for colonists to supplant the oligarchs in their position. As the American economy evolved, into the Industrial Revolution, the exploitation of labor became more severe and the ownership class exploited racism, classism, sexism, and nationalism to promote this agenda. Historian Howard Zinn describes the foundations of this era in Chapter 11 of his book *People's History of the United States*,

> In the year 1877, the signals were given for the rest of the century: the blacks would be put back; the strikes of white workers would not be tolerated; the industrial and political elites of North and South would take hold of the country and organize the greatest march of economic growth in human history. They would do it with the aid of, and at the expense of, black labor, white labor, Chinese labor, European immigrant labor, female labor, rewarding them differently by race, sex, national origin, and social class, in such a way as to create separate levels of oppression—a skillful terracing to stabilize the pyramid of wealth.[3]

With each generation, since the Industrial Revolution, the advancements of American industry have been varied and complex, but the impact of these advancements on workers has been predictable. For an example, consider how the American auto industry evolved in the early 1900s, with the introduction of Henry Ford's "assembly line." Prior to the assembly line system, each car that came out of the Ford company's factories was built by a team of workers, who saw the project through from start to finish, crafting each piece of the machine. This was difficult and dangerous work, at a time before there were workplace injury protections, but it was also "skilled work." The individuals who manufactured cars before the assembly lines mastered this craft and were able to take pride in seeing individual vehicles emerge from their labors. Everything changed when the "Fordist system" was introduced.

The assembly line wasn't just a simplification of the working process, it was a new vision for how a factory would run. On the assembly line, a worker was no longer part of a team creating a whole product, he or she was just an hourly laborer completing the same job, over and over, at a pace determined not by the progress of their team, but by the speed at which the assembly line delivered a new repetitive task to their work station. By simplifying the working process, Ford was able to take the skill out of the process. Rather than groups of skilled laborers who had to understand what they were doing to be part of a manufacturing team, in the Fordist system each person on the assembly line only needed to know how to do their simple job. A journalist at the time, covering Ford's new innovation described the assembly line as such,

> One man fits the parts together, so that the bolt holes come right. The next man fits the bolt holes into place. The next has a pan of nuts before him and all day he scoops them up and with his fingers starts them on the thread of the bolts. The next man has a wrench and he gives the final twist that makes them tight.[4]

While newspapers marveled over this tremendous technological breakthrough, workers did not want to work at the Ford factory and those who did found the work excruciatingly dull, boring, unfulfilling, and degrading. There are many interviews preserved from workers explaining how life on the assembly line had reduced them to faceless cogs who lacked even the pleasure of witnessing how their work brought a project to completion. Ford needed, essentially, to offer a wage high enough to attract workers to the factories and so he gave his workers Saturdays off and paid those who worked on the line $5 a day. This was a major raise over what unskilled workers could earn in many other industries, and Ford was hailed as an industrial hero, even as a hero of labor, but this was an unearned accolade. The Ford company had an annual labor turnover rate of 370 percent, as much as 10 percent of the workforce quit their jobs every day. This didn't matter to Ford or the managers, because their profit was protected and their workers were expendable as long as ownership continued to reap the rewards of the company's production.

Each generation of industrial improvement since Ford's assembly line has been more of the same. Employers introduce new technology or practices that reduce the need for skilled and therefore *higher-paid* labor, replacing laborers with automated processes, machines, or outsourcing labor to markets with little or no workplace protections. In the 1980s, robots replaced factory workers, and in the 1990s, international call centers replaced technicians and service jobs. In the 2020s, generative artificial intelligence (AI), technology controlled by just a few companies, is replacing creative professionals.

1
The Current State of Unions

Workers speaking (2018) in favor of the Workplace Democracy Act, which would allow unions to organize through a majority sign-up process. Photo by AFGE, CC BY 2.0, via Wikipedia.

Labor Unions Today

Depending on what article one reads, labor unions are either limping along on their last legs, or they're in the midst of a major resurgence. Which is true? Are unions dying or are they "booming?" As it turns out, both of these perspectives are valid, and the answer one finds depends on how one looks at union growth and relevance in America.

Decline and Stabilization

Statistics indicate that only one in ten workers belong to a union in 2024, a slight decline from 2022. Sociologists say that the percentage of US workers who belong to unions has declined markedly since the end of the twentieth century and that the current level of unionization is the lowest since 1983. Understanding the current state of unions requires some understanding of how union membership and relevance declined over the past half century.

The biggest decline in union membership has been in the private sector, which is the facet of the economy involving profit and nonprofit businesses that are owned privately. Most of these privately owned businesses and organizations are "for profit," meaning that they exist to generate profit for owners. Around 9.9 percent of US private sector employees work for nonprofits, which are organizations that operate for some sort of public or social benefit and therefore receive tax benefits.[1] Overall, across the private sector, only 6 percent of workers belong to unions and it is in the private sector that the decline of unions has been most pronounced.[2]

Private sector employment can be contrasted with the public sector, which are businesses and organizations that serve the collective and are, in part, funded by collective investment. Healthcare, schools, public transit, law enforcement, military, and government organizations, are all part of the public sector. While only 6 percent of private sector employees are involved in unions, the percentage in the public sector is far higher, with more than a third (33.1 percent) belonging to a union.

Interestingly, during the early years of America's evolving labor system, there were very few public sector unions. Police and firefighter unions were common, but few other fields had labor unions representing employees. Beginning in the mid-twentieth century, private sector unions began a steep decline and, as this occurred, public sector unions began to emerge. While the increase in unionization for public sector employees has translated into higher levels of wages and job security, the parts of the economy employing the largest share of workers also tend to have the lowest levels of unionization. For instance, in the food service industry, only 3.6 percent of workers belong to unions. Likewise, just over 3 percent of technology industry workers, another fast-growing sector of the economy, belong to unions.

One of the major factors impacting unionization has been globalization and the export of labor. The tech industry and many other industries have shifted jobs overseas, outsourcing service and manufacturing jobs. Manufacturing is another industry in which globalization is connected to the decline of unions. In the 1940s, nearly 32 percent of American jobs were in manufacturing, compared with just over 8 percent in the 2020s. Since 2000, manufacturing jobs have declined by more than 26 percent.[3] Commentators cite increased competition from foreign businesses and other factors as motivating this shift away from manufacturing in the American economy.

However, perhaps the single most important factor precipitating the decline of unions has been the long-running political effort to discredit the idea of unions in the American public imagination. Students and researchers seeking to learn about the decline of unions will come across many opinion articles from organizations like the Heritage Foundation or from other Libertarian organizations arguing that unions are corrupt and simply create an unnecessary barrier between labor and management. It has long been argued that unions only create unneeded bureaucracy, that unions might even reduce wages by complicating labor relations or by increasing costs for workers, who collectively pay to keep their unions running. Conservative commentators seize on and highlight incidents involving union corruption, they argue that union negotiations may delay workers getting raises from employers, etc. Commentators argue that unions protect jobs to such a degree that they make the system unfair. Union laborers don't work as hard, and aren't as productive because they are unconcerned with losing their jobs.

These same arguments have been around since the 1800s and they come, indirectly, from the perspective of the ownership class. Business owners, especially in the private sector, have been fighting against organized labor since the Medieval era. In England, laws were passed in the 1500s prohibiting workers from organizing to force employers to increase wages. In the United States, corporate owners and investors spend money each year to erode American interest in unions, to promote the perspective that unions are bad for business and bad for the economy, and to limit the effectiveness of pro-labor legislation. This campaign worked, and Americans in the private sector have backed away from unions, which have been portrayed as leftist-political organizations that detract from the economy and cost laborers more than they provide.

The Republican Party has been demonstrably anti-union since at least the late twentieth century. Those interested in unions might have read, for instance, about "right-to-work" laws, which essentially mean that workers cannot be required to contribute to union funding to receive union benefits. Likewise, one of the most common current methods used to undermine unions is to attack collective bargaining power. In Iowa, a predominantly Republican legislature approved a bill in 2017 that only allowed unions to negotiate on base wages,

You May Have Heard of the "Union Boom": The Numbers Tell a Different Story

By Greg Rosalsky
NPR, February 28, 2023

Last year, labor unions in America looked like they were turning a corner. Employees at more than 250 Starbucks stores voted to unionize. Workers at Amazon warehouses, Trader Joe's, and REI were joining the fight. Grad students. Uber and Lyft drivers. Even the knights, queens, and squires at Medieval Times were jousting to join a union.

Headline writers began declaring things like, "Employees everywhere are organizing" and that the United States was seeing a "union boom." In September, the White House asserted "Organized labor appears to be having a moment."

However, the Bureau of Labor Statistics recently released its union data for 2022. And their data shows that—far from a resurgence—the share of American workers in a union has continued to decline. Last year, the union membership rate fell by 0.2 percentage points to 10.1%—the lowest on record. This was the second year in a row that the union rate fell. Only one in ten American workers is now in a union, down from nearly one in three workers during the heyday of unions back in the 1950s.

To be sure, various data makes clear that the hubbub over a union resurgence last year wasn't all hype. For one, the absolute number of American workers in unions did, in fact, grow in 2022—by approximately 200,000. It's just that the number of non-union jobs grew faster. The National Labor Relations Board saw 2,510 union representation petitions filed in fiscal year 2022—a 53% increase over the previous year. That's hardly a game-changer, but it's something.

Last week, researchers at Cornell University's School of Industrial and Labor Relations (ILR School) released the school's annual report tracking labor actions across America. Alexander Colvin, the dean of the ILR school, says the data shows that something real was bubbling in the labor movement last year. They find that strikes, for example, were up 52% in 2022 over the previous year. However, considering we live in a nation with roughly 160 million workers, the absolute number of labor actions last year remains pretty small: 424 work stoppages (417 strikes and seven lockouts). Even the authors of the ILR School report note, "the level of strike activity is lower than earlier historical eras. The number of work stoppages and approximate number of workers

What's Going On with Labor Unions?

By Lisa Potter
University of Utah, September 7, 2023

Writers, coal miners, railway workers, UPS drivers—labor unions across the United States have made headlines for demanding higher wages, better benefits and safer working conditions. A labor union is a group of employees who use a collective voice to strengthen their ability to negotiate with their employer, according to the U.S. Department of Labor. The U.S. has a rich history of labor movements; for example, unions are responsible for federal laws around workplace safety requirements and child labor laws.

The University of Utah spoke about the state of labor unions with Megan Reynolds, associate professor, Department of Sociology in the College of Social and Behavioral Science. Reynolds' research encompasses the relationship between health, inequalities and politics, including labor and labor relations.

Lisa Potter: Does the U.S. have a history of labor unions?

Megan Reynolds: In the wake of the Great Depression, the 1936 National Labor Relations ("Wagner") Act was passed explicitly granting unionization and collective bargaining rights to U.S. workers. World War II labor shortages allowed workers to use Wagner in their favor and by 1945, union membership increased four-fold to ten million workers—roughly 1/3 of the non-agricultural workforce.

The increasing strength and scandal surrounding labor unions roused distaste and, in 1947, Congress revived pre-war efforts to curb unions. The result was the Taft-Hartley Act, which placed new restrictions on labor unions. This was only one of a mounting list of challenges facing unions: Globalization, the rise of "human resource" departments, leadership struggles, recession, de-industrialization, deregulation, and political hostility. By the mid-70s unions were in grave trouble and began a precipitous decline to their current level of roughly 10% of the national workforce.

What are the benefits and drawbacks of union membership?
Research suggests that unions are associated with more favorable wages (~15% higher) and benefits (retirement and employer-sponsored health plans), as well as greater job security. Unionized workplaces tend to be safer than their non-unionized counterparts. In my own research, I have found that the self-assessed health and mental health of union members tends to be better than non-union members

2
History of Unionization

Union poster from 2011 Wisconsin workers' uprising opposing a union-busting budget repair bill. Poster designed by DonkeyHotey, CC BY 2.0, via Wikipedia.

The Future of Organized Labor

Clarence Darrow, a progressive lawyer and major figure in the American Civil Liberties Union (ACLU), who was famous for his intelligence and wit, and for his defense of the teaching of evolution in public school, was quoted in a 1909 issue of *The Railroad Trainman* as saying, "With all their faults, trade unions have done more for humanity than any other organization that ever existed. They have done more for decency, for honesty, for education, for the betterment of the race, for the developing of character in man, than the other association of men."[1]

Trade and labor unions have never been perfect, because humanity is not perfect. People who gain power react to that power in different ways, and some will always attempt to abuse their power for their own benefit. So, unions can be corrupt just as corporations and governments can be corrupt. But, unlike a government, or a corporation, the union exists by and for the workers and artisans of our society.

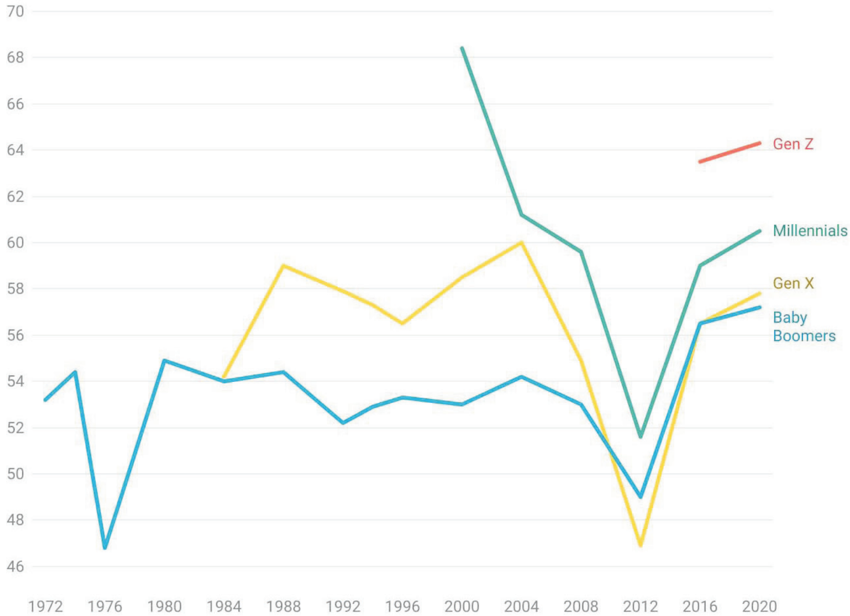
The government, for as much as it can be a tool to protect laborers, also necessarily serves *both* the workers and the ownership class. Governments cannot protect the working class or laborers in any field unless those laborers can gain the political capital to make their interests a priority and governments can be both a benefit to workers and a detriment, depending on which interest groups command the most power. There has been an imbalance of power between the wealthy class and the working class and this has meant that the government more often protects the interests of the wealthy. A privately owned corporation, in a capitalist system, does not exist for the benefit of workers *or* consumers. Corporations exist to make profit for owners, and that is all they have ever done and ever will do. The unions are the *only* organizational system that exists, in a capitalist society, that is focused directly on the welfare of workers, and as imperfect as they can be, the loss of organized labor benefits no one but the ownership class.

In 2024, labor stands at yet another crossroads. The incoming Trump administration means a hostile landscape for labor. Even if the Trump administration itself was to prove friendly to the interests of the working class, anti-labor ideology is deeply ingrained in the Republican Party and in conservative politics and so empowering the Republican Party always, no matter what the executive branch claims, means a more difficult road for labor. For many years, labor has been in a state of decline and many observers believe that this will continue but there are signs of renewed and growing interest, not just in labor but in the principles of democratic socialism that fueled theories of income equity and economic justice, and this, labor organizers hope, provides a potential path for a new era of organization and activism.

FIGURE 1

Generation Z supports unions today more than older generations ever have

Mean union approval rating, by generation, 1972–2020



Hover or click to see values.

Source: American National Election Studies, "Time Series Cumulative Data File: 1948–2020," available at https://electionstudies.org/data-center/anes-time-series-cumulative-data-file/ (last accessed June 2022).

Chart: Center for American Progress

identification. While self-identified Republicans of all generations describe themselves as less supportive of unions than self-identified Democrats—and college-educated adults are generally less pro-union than the working class, defined as workers without a four-year college degree—Gen Z shows a narrower partisan gap with nearly no working-class gap. These narrowing divides, along with the greater racial and ethnic diversity of younger generations, may contribute to the overall greater pro-union attitudes among Gen Z compared with other generations.

Unions Help Gen Zers Achieve Economic Security

While a number of factors may explain Gen Z's high support for unions, it is clear that unions help all workers, including young workers, achieve economic security by increasing wages, securing better benefits, and guaranteeing greater job stability. Figure 3 shows how from 2016 to 2021, union membership is associated with increased wages for workers ages 18 to 34 by 11.3 percent, with even larger gains for young Black and Hispanic workers.

Websites

American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)

www.aflcio.org

Established in 1955, the American Federation of Labor and Congress of Industrial Organizations is one of the largest and most influential federation (groups of unions) in the United States. The AFL-CIO openly advocates for pro-labor and progressive labor policies and produces numerous informational publications providing students and researchers with data on labor organizing and issues facing the labor market. The AFL-CIO represents more than sixty unions and more than 12 million union workers and so provides a good source for news and updates on issues impacting union laborers in many parts of the country.

Center for American Progress (CAP)

www.americanprogress.org

The Center for American Progress, established in 2003, is a progressive social and political think tank centered in Washington, DC. The CAP is largely liberal, aligning with progressives and liberals and often with the Democratic Party, but not always. The organization produced the progressive news organization *ThinkProgress* and the Washington Center for Editable Growth. While criticized on the right as biased, the CAP also funds and reports on research from legitimate sources and does not entirely deal in editorial or opinion-oriented content and provides a valuable resource for students and researchers looking at issues such as labor rights, reproductive rights, healthcare, and racial discrimination. On the issue of labor, CAP authors are typically pro-labor and have supported research into labor union impact.

Economic Policy Institute (EPI)

www.epi.org

The Economic Policy Institute is a think tank based in Washington, DC, that supports and conducts economic research on the United States and analyzes economic proposals. Started by economists in 1986, the EPI has had, among its researchers, a number of specialists in labor policy and economics. While often called "left leaning," the EPI has also promoted and researched economic policies that align with right-wing political interests and the institute's publications are not political commentary but studies with numerous citations allowing students and researchers to conduct their own research and confirm any of the findings by EPI researchers.