Don't Worry, Be Happy: The Postwar Decline of Private Sector Unionism in the United States

He who would understand politics in the large may ponder well the status of labor: a numerically great force in a society adhering to the doctrine of the rule of numbers, yet without proportionate durable power as a class.

—V. O. Key 1932:53

Frankly I used to worry about the membership, about the size of the membership. But quite a few years ago, I just stopped worrying about it, because to me it doesn’t make any difference.

—George Meany, USNWR 1972:28

It is a watchword of contemporary social science that “institutions matter.” The slogan stands for the claim that how the affairs of social life are organized is not only a consequence but also a cause of the interests, resources, and patterns of interaction of social actors. Attention to the effects of institutional structures can thus contribute to social explanation.

This chapter presents an account of some of the key institutional features of postwar U.S. industrial relations and uses that account to explain the generation-long decline of private-sector U.S. unionism. The discussion has three parts. In the first, I suggest a typology of industrial relations systems, based on differences in the density and centralization of union memberships, and locate the “exceptional” U.S. case within that typology. In the second, I characterize the narrow and fragile “accord” that obtained between unions and employers in the U.S. private sector during the first part of the postwar period—from 1945 until the early 1970s—and the factors that led to its collapse in the 1970s. In the third, I present a simple explanation of the decline of private-sector unionism and of the limited character of union response to its dwindling political power, consistent with the preceding analysis.

Constraints of space forbid any extensive discussion of the legal framework of private-sector unionism, an important institutional feature of the postwar system that figured prominently in union decline. For purposes of this discussion, then, I will simply premise the truth of the claim that that framework was, throughout the postwar period, extremely hostile to union growth. More particularly, I take the Labor Management Relations Act (LMRA), the centerpiece of federal labor regulation over the past generation, to have hurt the labor movement in two important ways. First, the LMRA kept the costs of new union organization, particularly organization in the face of employer resistance, very high and offered little protection to organized workers in face of sham bargaining, relocation, and other changes in employer operation or other forms of management resistance or attack. This tended to confine unionization to those sectors of the economy claimed at the outset of the postwar period—the “traditional” union sectors, or union “core”—while leaving unions within this core highly vulnerable to changes in employer strategy. Second, the LMRA furthered the fragmentation of organized workers. It did so both by overtly limiting their coordination and by encouraging the pursuit of highly particularistic bargaining strategies in their dealings with employers. Of some consequence for understanding the national political strategy of labor during the postwar period, the latter included (often successful) strategies aimed at providing private equivalents of what in most advanced capitalist democracies was a social wage. A natural result of their pursuit was that unions were divided from one another and from unorganized workers, with the consequence that the labor movement as a whole was weakened as a national political force. But for individual unions such weakening only served to underscore the logic of particularism and the appeal of a “go it alone” strategy of self-help.

If the LMRA had malign effects on private-sector union growth, however, it was hardly exogenous to other aspects of the postwar system. The LMRA’s basic hostility to unions reflected the long-standing political weakness of American labor, which in both absolute and comparative terms became more pronounced over the postwar period. And the spe-
cific structure of industrial relations that it promoted, with all its attendant difficulties for unions, reflected the interests generated on both sides of the bargaining relation under conditions of low-density, decentralized, and sectorally uneven worker organization. Indeed, while labor was far from being an “equal partner” with business in elaborating the terms of the LMRA, unions helped elaborate many of its key terms, including some of those that eventually proved most debilitating to labor as a whole. In short, the LMRA—in itself awful for the labor movement, if not all unions within it—may be understood as product, as well as producer, of the nonlegal institutional setting sketched here.

**U.S. Industrial Relations**

As a general matter, the postwar private-sector industrial relations system in the United States reflected the long-standing “exceptionalism” of U.S. worker and employer organization and the characteristic strategies of unions and employers associated with low-density, decentralized unionism.

**Dynamics of Bargaining**

Abstracting from the particulars of different industrial relations systems, the dynamics of bargaining between employers and unions can be expected to vary discontinuously with the density and centralization of union organization. At some risk of caricature, one may distinguish between a “low-density, decentralized case” (LDDC) and “high-density, centralized case” (HDCC). In the first, wages and benefits are not taken out of competition, and unions are not coordinated. In the second, wages and benefits are taken out of competition, and unions are coordinated. Across these cases, bargaining dynamics can be expected to vary discontinuously for two reasons—the first arising from differences in the competitive effects of unionization, the second from differences in the strategies of gain undertaken by unions.

To clarify differences in competitive effects, some assumptions are immediately in order. Assume that the costs of unionization to employers outweigh its benefits; call this difference the “union cost.” Assume further, however, that the union cost can be borne by the market, that is, that demand for the good produced is sufficiently inelastic that an increase in market price equal to the union cost does not significantly depress demand. Assume finally that employers exist in competition with other employers and that all those with whom they are in competition use roughly identical techniques of production. On these assumptions, what matters to employers is not the union cost per se, but the degree to which those costs are generalized to rivals. Where only some firms in the particular sector are unionized (the LDDC), unionization appears as competitive disadvantage, and employers can be expected to resist it. Where all or most firms are unionized (the HDCC), unionization has little or no effect on competition, and employers thus lack an important incentive to resist.

On differences in union strategy, I assume that unions attempt to maximize the expected income of their members, but that in doing so they face important strategic trade-offs along two dimensions. The first dimension is time. Unions can concentrate on short-term gains, trying to enlarge their share of current product; or they can pursue long-term gains, attempting to enlarge future payoffs through the enlargement of future product. The second dimension is space (or “organizational space”). Unions can go it alone in wage demands, or coordinate their demands with other unions; they can concentrate on extracting concessions from employers directly, or they can seek coalitions with other groups necessary to extract income through the state (i.e., through an increased social wage).

The HDCC favors longer-term cooperative strategies with employers, and greater orientation to making gains through the state. The reasons are straightforward. In the HDCC, unions have more confidence that they will be able to extract future gains; because they comprise a larger and more coordinated share of the population, they can be expected to be less tolerant of “destructive” redistributive strategies that depress social product; and being both big and centralized, they have more developed capacities to make gains through the state. In the LDDC case, by contrast, unions have every incentive to free ride on their future interests, since they may not have a future; they have incentives to free ride on unorganized workers, since they bear a negligible portion of social costs of “destructive” redistribution; and they have little incentive to coordinate with other unions or seek general gains through the state, since their capacity for doing so is limited by their small numbers and lack of centralization.

What about employer attitudes toward the different cases? It seems safe to conclude that they, who in general may be assumed to favor no unionization over any unionization, also favor the HDCC over the
LDDC. At a certain point of density and centralization, union effects on interfirm rivalry, the preferred strategies of unions, and employer attitudes toward unions all change direction. At this point, wages are taken out of competition, more secure unions exchange “militant economism” and “job control” for “political exchange” and cooperative strategies, and employers recognize that they both must and can live with unionization. Instead of devoting themselves to destroying unionization or resisting its spread, they cooperate in its maintenance and extension. Call this point, in Hegelian fashion, the line of “mutual recognition.”

Exceptional Disorganization

In the United States, which probably more closely approximates the ideal type of the LDDC than any other industrial relations system, this line has never been reached. In comparative terms, American employers are “exceptionally” hostile to unions, in large measure because American workers are exceptionally disorganized. Here I note two familiar aspects of American worker disorganization—one bearing on the organization of formal politics, the other on union scope and structure—and indicate their relation and policy consequences.

Beginning with politics, the most salient phenomenon, virtually definitive of “American exceptionalism,” is the absence of political organizations deriving their programmatic identity and organizational form from independent organizations of workers qua workers. There is no viable labor or social democratic party in the United States. The electoral field is instead fully occupied by two business-dominated parties, featuring an almost premodern, “very archaic general structure” of weak vertical linkages between elites and masses, low capacities for mobilization, and a coalitional rather than programmatic thrust that is almost never articulated in explicit class terms.

Lacking political vehicles of their own, American workers have long been disappearing as even a presence in the electoral system. As a general matter, and running counter to patterns in all other capitalist democracies, U.S. participation rates have trended downward since the late nineteenth century (since, in other words, the emergence of a substantial industrial working class). Recently they have hit record lows. Excluding the southern states, participation in the 1986 congressional elections dropped to its lowest level since 1958; and presidential election participation in 1988 dropped to 50 percent, lower than in any “modern” election but 1920 and 1924 (shortly after the denominator of the eligible electorate was abruptly swollen by the extension of the franchise to women). Within this generally demobilized and increasingly “dealigned” universe, moreover, a large “hole” has opened up in that part of the electorate (the bottom third or so in income and education) that elsewhere provides the core support for social democratic and labor parties. Massive working-class abstention gives aggregate participation in the United States a decisive “class skew.” Rates of U.S. working class participation are about 40 percent lower than both those of the U.S. propertyed middle class and those of workers in other rich capitalist democracies. In brief, U.S. workers do not appear much at all, and certainly do not appear as a class, in American electoral politics. They are thus singularly ill equipped to wage reform struggles through the state, to supplement their private incomes with a social wage.

Turning to economic organization, both the low-density and decentralization aspects of the LDDC find clear referents in the United States. Low density is obvious. Postwar U.S. union density reached a peak of 28.9 percent in 1935—the year V. O. Key observed that labor’s numbers far exceeded its power. It has declined without interruption since then, dropping to 16 percent by 1990. Considering only private-sector non-agricultural workers, the decline is even more striking. Unionization among that group fell from 38 percent in 1954 to 24 percent by 1978 and, on a different statistical series, to 12 percent by 1990. This experience is also comparatively distinct. U.S. union density is lower than that in all other advanced industrial capitalist democracies, and no other system displays the postwar U.S. pattern of uninterrupted decline during the postwar period.

The decentralization of the U.S. case is also apparent. Whether one looks at the level at which bargaining proceeds, the control that central federations exert over member unions, the distribution of union resources across different levels of organization, or the sheer number of union organizations, there is scholarly consensus that the U.S. labor movement and industrial-relations system is among the most decentralized in the world, and certainly more decentralized than the continental Western European systems, such relatively decentralized cases as Italy and France included.

The extreme decentralization of the U.S. union movement amounts to fragmentation, or a condition in which there is little effective coordination of component parts. To return once more to Key, this fragmentation is the most important reason that American labor’s political strength
is greatly outdistanced by its numbers. Numbers mean little without organization, and organization means little without coordination of those organized. It follows that increases in membership, without coordination, do not proportionately increase power, which is why, despite its absolute numbers, organized labor in the United States lacks "proportionate durable power as a class." Instead of being more than the sum of its parts, with those parts coordinated in collaborative strategic action, the American labor movement is usually less.

More particularly, political and economic disorganization are related and have clear effects, both at the macro level of public policy and the micro level of collective bargaining. At the macro level, comparative studies indicate close correlation between union centralization and the strength of leftist parties, and between the conjunction of centralized unions and leftist representation in government and a high social wage. The extremely low and uneven quality of the U.S. social wage—the striking absence, in comparative terms, of such generic substantive entitlements as paid accident and sickness leave, vacation time, retraining, family leave, or national health insurance, and the heavy reliance instead on stingy, means-tested entitlement programs—is probably the most obvious policy outcome of U.S. worker disorganization. At the micro level of collective bargaining, the failure to achieve classwide gains through the state sharpens concentration on achieving more particular gains in narrow arenas, increases the appeal of "job control" versus "political" unionism, and the like.

Once embarked on this trajectory, moreover, it is difficult to get off. The particularity both of the gains sought within local arenas and of the organizations that seek them makes the articulation of general demands more difficult. And success in the achievement of particular demands tends to consolidate the pattern of organizational isolation while slowing the impetus to cross-sectoral coordination. The union strategies associated with the LDDC—a narrow political agenda, a focus on militant economism and job control—reinforce one another.

The Rise and Fall of the Postwar "Accord"

What I have just described as the LDDC has applicability to the whole of the U.S. economy and the U.S. labor movement within it during the postwar period. But in fact, of course, the labor movement is not organized on economy-wide lines, but on sectoral ones. During the first half of the postwar period, in a limited number of sectors, something approximating an "accord" (or "truce," or "ceasefire in place") was established. This accord was not a perfect miniaturization of the HDCC. Gaining national political power sufficient to mount broad programs to increase the social wage required more than the coordination of union memberships in a limited number of sectors, and this was never something the postwar U.S. labor movement, confined to a few sectors, could achieve. Still, within those few sectors the U.S. approximated some aspect of the HDCC, namely, a modicum of cooperation between unions and employers.

The Limited Accord

The scope of the accord was severely limited. In addition to being concentrated in a few geographic regions (something of great consequence to the political power of labor at the national level), private-sector unionism was concentrated severely in a limited number of economic sectors. Entering the postwar period in 1947, the two broad sectors of construction and the major regulated industries (transportation, communication, and utilities) accounted for 34 percent of total private-sector union membership, while manufacturing provided another 48 percent. These shares remained substantially unchanged until the late 1970s. Disaggregated data on membership within manufacturing, available since 1968, suggest further concentration. Four manufacturing sectors alone, combined with construction and the regulated industries, account for 72 percent of all private-sector union members in 1958, 71 percent in 1968, and 66 percent as late as 1978, or consistently about twice their share of total private-sector employment. In short, throughout the postwar period the vast bulk of private-sector unionism was confined to a clearly defined, distinctly limited, and shrinking portion of the total economy—really a handful of economic sectors. With little risk of exaggeration, one can thus speak of the postwar "accord" with labor not as an economy-wide phenomenon but as a sector-specific one.

This leads to the accord's content—the terms and conditions of cooperation between labor and management. While on an economy-wide basis unions never climbed past the line of "mutual recognition" with employers, in particular sectors they did. They achieved densities sufficient to take wages out of competition, thus removing the chief employer reason for resisting unionization. And in most of these core sectors, em-
ployer hostility was further reduced, or rendered ineffective, by other factors. In manufacturing, many of the lead firms had exceptionally strong market positions. They were willing to pay "monopoly rents" to unions because they had monopoly power themselves. Faced with strong domestic demand and operating in a relatively closed market, they could simply pass the union premium along to consumers—other firms or individuals—in the form of higher prices. In the heavily regulated transportation, communications, and utility sectors, this same effect was achieved through direct government regulation, which limited entry by rivals and set standardized prices for consumers that covered the additional costs of unionization. Finally, in some important cases, most notably mining and construction, firms were tied to particular locales and simply had to deal with an external labor market successfully organized by unions. In the core, in short, unions benefited heavily from monopoly pricing, and in some cases from the "locational immobilities" of firms.

Within this limited core, unions and employers forged stable relationships, marked by significant cooperation. The wage terms of collective-bargaining agreements were typically tied, as in the historic "Treaty of Detroit" negotiated by the United Auto Workers and General Motors, to productivity increases. Collective-bargaining agreements were widely extended to three-year terms, with the inclusion of cost-of-living adjustment clauses (COLAs) for union members, no-strike clauses for management, and the agreement of both parties to submit disputes over contract terms to arbitration. Despite their enormous complexity, the subject matter of collective-bargaining agreements was narrowed to "bread-and-butter" issues, leaving management's prerogative to make "strategic" decisions intact. And within firms, unions devoted themselves to elaborating the rules of "job control"—increasing the "cost of movement" of workers in the internal labor market, and thus compensating for the general lack of regulation of the external one. From these efforts, employers gained stability without serious loss of autonomy, and union members gained benefits unavailable to the rest of the labor force.

The End of "Labor Peace"

This "accord" between unions and select employers in the private sector held in place in the United States until the early 1970s. Despite some shifting around, union density in the core sectors remained quite stable. The basic institutional arrangements of the accord—wage increases tied to productivity increases, generalization of wage and benefit costs throughout unionized sectors, binding arbitration to settle disputes over collective-bargaining agreements, union assistance in governing the internal labor market—remained in place.

Beginning in the early 1970s, however, particularly after the recession year of 1973, signs of stress began to appear. As in most advanced capitalist nations, U.S. economic performance deteriorated. Rates of profit and GNP and productivity growth dropped sharply, and median family income and weekly earnings stagnated or declined. Of even greater consequence, the U.S. economy was suddenly internationalized. The additive share of imports and exports in the GNP, which had been relatively slight (about 10 percent) and stable for the previous 50 years, doubled during the 1970s. Most U.S. firms (about 70 percent) were just as suddenly exposed to international competitive pressures. Throughout the decade of the 1970s, many lost market share to foreign competitors. Even where they retained share, however, U.S. firms found themselves operating in a qualitatively more competitive environment.

One effect of these changes on the calculus of American business was predictable. They became much more sensitive to costs, since those costs could no longer be passed along to captive domestic consumers, and more intent on cutting costs, beginning with the price of labor. This was true both in unionized sectors of manufacturing, which suddenly faced substantially increased competition from abroad, and nonunionized sectors of the economy, which became even more bent than they were before on resisting unionization. As a general matter, the ensuing attack on workers in both union and nonunion sectors was reflected in the decline in worker incomes reported above. But while union workers, because they were organized, were better able to resist such downward pressures—a fact reflected in a better than 50 percent rise in the union "premium," or difference between union and nonunion wages, during the 1970s—that ability made them even more squarely an object of attack.

In addition to rolling back wages, or unionization, or both, for their own workforces, firms sought to roll back various regulatory protections that imposed costs on them. Of particular consequence here were the efforts to "deregulate" the highly regulated, and heavily union, service sectors of transportation and communication, where government sponsored barriers to entry and artificially inflated prices.

These developments, all untoward for the union sector, coincided with
an equally unfavorable diffusion of new technologies of profit extraction—computerized switching devices in communications, prefabrication in construction, strip-mining in mineral extraction, use of containers in shipping, vacuum-packed meat boxes in meat cutting, numerically controlled machine tools in machining. Their diffusion permitted firms to shift production away from externally organized markets—thus overcoming the “locational immobilities” that had benefited labor—or to break union monopolies on the generation of needed skills by organizing alternative sources of skill or deskill the relevant production process.32

Last, increased competition and uncertain demand (the apparent saturation or fracturing of traditional mass markets) persuaded many firms of the need for increased “flexibility” in production. The term is protean in meaning—referring at one extreme to felicitous paths of “flexible specialization” in high value-added market niches, at the other to simple sweating of workers and implementation of the business maxim “internalize scarcity, externalize risk.”33 Whatever the meaning of “flexibility,” however, it was clear that its implementation required something almost diametrically opposed to the “high-cost-of-movement” governance mechanism typical of the unionized internal labor market. And this provided further animus against unions.

On all these dimensions, then, the calculus of American employers changed in the 1970s. They broke the truce that had existed since the close of World War II and began attacking unions within the traditional core. The response of a weakened and highly fragmented labor movement was always slow, generally ineffective, and never aimed at a much broader mobilization of the sort needed to withstand this attack. Indeed, labor’s failed response only served to underscore the appeal, to those unions that remained, of the particularism that had long characterized labor’s political efforts—a particularism, again, that followed “naturally” from its LDUC status.35

Given the weakness of labor’s response and the absence of any independent check by the law, employer attacks soon registered in an acceleration of union-density decline. In the 1970s, major losses were sustained in the core sectors of manufacturing and construction. In the 1980s, the decline became a rout, as losses in these sectors were joined by massive attrition in the newly deregulated services of transportation and communications, and the employer attack snowballed. As unions weakened, they were less able to take wages out of competition among employers, leading to further employer attacks, leading to further weakening, and so on.36

In brief, the elaborate system of rules and understandings, compromise and consent, that had marked U.S. industrial relations for a generation was suddenly transformed.

**Patterns of Decline**

However incomplete the characterization provided here, something like this account of the structure and collapse of the postwar accord with unions has a certain obvious appeal. It fits well with what is known about other changes in American political economy in the 1970s and makes sense of the common perception that there was a distinct and relatively stable set of dealings between unions and employers that held for a long period and then rather suddenly collapsed into “one-sided class war.”

Such an account, however, does not immediately fit the facts of continuous and, until the late 1970s, virtually linear decline in private-sector union density over the postwar period, the comparable steady decline in union success rates in NLRB (National Labor Relations Board) representation elections (widely taken as a proxy for the “balance of class forces”), and the comparable decline in union organizing efforts, as measured by the percentage of the unorganized workforce participating in NLRB representation elections. Notice of such continual declines has led some theorists to conclude that the _real_ sources of private-sector union decline in the postwar period predated that period; they are owing to bad strategic choices unions made in the 1930s and 1940s (perhaps coupled with a postwar-1950s purging of radicals from their ranks).37

This view has much to recommend it. Clearly, the political choices that unions made in the 1930s, 1940s, and early 1950s affected their options, and their willingness to act on them, in subsequent decades. Clearly too, the continuous decline in postwar union density establishes the tautological truth of the claim that union organization was insufficient to maintain density shares. As a guide to understanding what happened in the postwar period, however, I find the view less than satisfying. Commonly the view is accompanied by invidious characterizations of the “false consciousness” or blank “irrationality” of the American labor movement, and here it just as commonly suffers from a compositional fallacy, falsely assuming that what is rational for workers as a class must be rational for individual members of that class and their unions. More
immediately, the view is offered in opposition to the claim that union-employer dealings were stable for a long period; it does not capture or explain the perception that in fact they were.

The problems with this alternative view, as well as the problem from which it arises (the apparent lack of fit between the account of stable dealings through the early 1970s and the fact of continuous density decline), can be addressed through a brief analysis of union-density decline. Killing many birds with a single statistical stone, this analysis rests on a sector-specific explanation of the composition of that decline, and on the division of the postwar period into distinct subperiods.39

To see the force of this analysis, consider what the accord account offered above would imply for union-density decline. This requires pressing two assumptions in that account into sharper relief.

The first, implicit in my earlier account of bargaining dynamics and American exceptionalism, is that unions customarily organize workers (rather than workers organizing unions), and that in doing so unions behave in strategic ways. They choose an optimal level of organization and choose optimal sites for organization, taking into account the payoffs accruing from the addition of new members and the likely response of employers to organizing efforts.

The second assumption, noted at the outset, is that postwar labor regulation, centered in the LMRA, set the costs of organizing extremely high and provided no serious deterrent to employer attacks on unions. As a practical consequence of this, where unions are not able to compel employer recognition and bargaining through economic force, they have little or no redress against resistant employers.

Together these assumptions lead to a natural hypothesis, namely, that in the postwar period, unions were quite reluctant to organize in sectors where they did not already command significant power. Always admitting exceptions, as a general matter it would only be in such sectors that they could expect some mitigation of employer resistance—since only there would they have already made progress in taking wages out of competition. And only there, where there was resistance, could they expect to be able to overcome it through economic force.

In the framework of the accord analysis offered above, we can join these assumptions with what we know about the structure and scope of unionism to “predict” a certain pattern in union decline in the postwar period. Briefly, we know that coming into the postwar period, unions were organized in a limited and distinct number of sectors, with union power within those sectors concentrated in blue-collar (as against white- or pink-collar) jobs within them. If, as argued above, these union strongholds remained relatively stable through the early 1970s, then we would expect that most of the decline in overall union density would be accounted for simply by a decline in the share of total employment taken by these strongholds, not by a decline within them.39 Returning to the argument above, I claimed that these stable sectoral dealings were disrupted in the early 1970s and I attached particular importance to international price pressures. This would lead us to expect a decline in the importance of the “structural” variables of sector employment and occupation, and to expect that some defensible proxy for international price pressures would become a significant predictor of intrasector union decline, once occupation is taken into account, via controls. Finally, I argued that the postwar system began disintegrating rapidly in the 1980s. During this period, we would thus expect yet further decline in the power of the structural variables (and perhaps even a drop in the significance of the internationalization variable). The picture should become highly scrambled, as befits a period of wreckage and transition. The “system” would no longer display systemic properties.

Statistical analysis shows exactly these results, and thus offers confirmation of the account offered above.

Disaggregating the private economy into five sectors, a basic “shift-share” analysis of sectoral employment—predicting union density on the basis of shifts in the share of total employment claimed by different sectors (with different degrees of unionization)—shows great power in predicting density until the early 1970s, but much less power since then, and even less since the early 1980s.40 Using Bureau of Labor Statistics (BLS) data, sectoral employment shifts account for 54—60 percent of the decline over the 1956—72 period; for the years 1972—78 sectoral shifts account for only 20—35 percent.41 Using different data from the Current Population Survey (CPS), but the same industry breakdown, only 22—27 percent of the decline between 1974 and 1980 and only 13—17 percent of the decline between 1980 and 1984 can be accounted for by such sectoral employment shifts.

Supplementing the sectoral variables with occupational data (the shift across white-, blue-, and pink-collar employment) strengthens the analysis, without disturbing the pattern of decline across periods in the power of structural variables. Using CPS data, industry and occupation shifts together account for 51—56 percent of the decline between 1974 and
union behavior during the period has at least the appearance of rationality. Faced with a hostile external climate, unions hunkered down in their heavily organized sectors and essentially stayed put. They organized relatively little in general and confined much of their organizational efforts to maintaining density within their sectors.44 This they succeeded in doing in virtually all sectors until the early 1970s, and even in many sectors until the very late 1970s.

In retrospect, the fragility of postwar private-sector U.S. unionism is obvious. Given the extremely unfavorable framework of self-help promoted by the LMRA, a shift in employer toleration of unions was registered almost immediately in a sharp rollback of private-sector union power. As late as 1972, however, when George Meany was observing that he was not worried about the size of membership, the vulnerability of private-sector unionism was, perhaps, less apparent. Guided by the particularistic logic of the LDDC, the U.S. labor movement looked at itself in the early 1970s and basically liked what it saw. The reasons for its contentment were as straightforward as the reasons why it would soon be shattered. Even as the overall level of private-sector unionism was declining, and even as the economy (and with it, much of American society) was moving away from the labor movement, union density within the shrinking “core” sectors was still high, union dealings with employers were still relatively stable, and union gains were still considerable. The limits of the LMRA, and of the fragile accord it regulated, had not yet been tested. The limits of the LDDC itself, and the style of trade unionism to which it gave rise, had barely been contemplated. As they looked to the future, then, it is understandable why American trade-union leaders found the most reassuring maxim—“Don’t worry, be happy”—also to be the wisest. Much less clear, as I contemplate the future now facing the U.S. labor movement, is whether intervening events have generated support among them for a more radical, encompassing, political, and, of necessity, more productivist strategy of renewal, or whether most unions will, within the logic of the LDDC, simply play out with American business an endgame of steadily declining power.

Notes

1. This is a much-shortened version of a paper delivered at the conference, “North American Labour Movements into the 1990s: Similarities or Differences?” Cambridge, 3–5 February, 1989. It draws on Rogers (1990). In revised


3. These assertions about the LMRA are defended at length in Rogers (1990). See as well U.S. Congress (1984) and Morris (1987).

4. This two-fold, rather than four-fold, typology of systems is permitted by the very high correlation of centralization and density. For eighteen OECD (Organization for Economic Cooperation and Development) countries, for example, the Moore correlation coefficient between average union density over 1965–80 and Cameron's (1984: 165) measure of "confederation power in collective bargaining," for example, is .7708. More interesting complications arise with consideration of variations in political structure, however, which add an important dimension to the interactions described here. See note 6, below.

5. The opportunities for free riding here are of course legion and form the basis of the "destructive" redistributive coalitions of which Olson (1965; 1982) warns.

6. Clearly, the preexisting political structure affects this choice as well. The structure of the state and electoral competition in the United States (separated powers at the national level, extreme federation of government functions, single-member districts for most elected offices, etc.) make a legislation-centered union strategy more difficult, as do related differences in the typical structure of benefit delivery for those benefits that have been gained. Differences in these areas are critical to distinguishing the United States from other "liberal" cases, the case of Canada included.

7. The analysis here is intended to "dance in the middle of the floor." Hypothetical extreme cases of 0 and 100 percent unionization may both be assumed to pose efficiency problems and additional risks in the attitudes of employers. At the low end of unionization, what is generally true of employers in real-world circumstances is probably not true of all employers; at least in some industries, some minimal degree of (weak) unionization is probably desired. And certainly at the high end, as union density and centralization approach unity, employers again begin to worry, for workers with that much power might opt to run the economy for themselves. As Przeworski (1987: 37) wryly observes, "Capitalists would prefer no unions than unions; if they cannot have the former they should prefer stronger over weaker unions; yet they fear the political consequences of strong unions. This is not an easy preference profile to act upon: hence the ambivalent posture of capitalists toward workers."

8. Two clarifications may be needed here. First, crossing this point, of course, may and commonly does require intense conflict between unions and employers, or changes in the legal framework facilitating increased unionization.

Second, passage itself is as much process as event. Before the full logic of the HDCC is reached, and it becomes self-stabilizing with employer cooperation, one can expect a period of continued gaming and testing.

9. One contender for pride of place might be the enterprise union system of Japan. Other features of that system, however, permit the coordination of interests (including incomes policies) lacking in the LDCC. This "corporatism without unions" is sufficiently different to defy easy comparison. A more formidable class of contenders is populated by the other "liberal" industrial-relations systems (e.g., the United Kingdom, Canada, and New Zealand). Differences in state structure and the rules on party competition (see note 6, above), however, make it easier for labor in those states to mount a more encompassing strategy through the state than in the United States.

10. Contrary to the suggestion in Greenstone (1969), I take the relation between labor and the Democratic party to be fundamentally different than relations between union movements and social democratic parties in Western Europe. The best single measure of labor's postwar power within the Democratic party was its ability to compel party support of legislation favorable to its own organization. On this measure, labor's relations with the Democrats have been incomparably worse than relations, however strained, between social democratic parties in Europe and their respective labor movements. Labor lost repeatedly in the postwar period, on Taft-Hartley, Landrum Griffin, the promised repeal of the right-to-work provision in Taft-Hartley, common situs picketing, and labor law reform, suffering through from massive Democratic defections. More subtle measures of comparison (e.g., the representation of labor officials in party organizations, staffing ties, regularity of consultation with labor officials, etc.) only underscore the difference. Unions have of course been active in national politics and have often extracted benefits from the state party. But the characteristic organizational form that takes—the capacity for sanctions of party leaders, the intimacy of relations, and the range of objects sought—all differ in quite fundamental ways from the "typical" social democratic case. On labor's relations with the Democrats, see Ferguson and Rogers (1981; 1986) and Davis (1986). For rich evidence of continuing close ties between trade unions and parties in Europe, see the range of studies in Gourevitch et al. (1984); Lange, Ross, and Vancicelli (1982); and Flanagan, Soskice, and Ulman (1983). For an account of "electoral socialism" that examines the constraints unions put on the choices of party leaders—constraints largely absent in the U.S. case—see Przeworski and Sprague (1986).

11. Duverger's (1959) that both major parties are business-dominated makes it rather difficult, of course, to use the category of class in organizing electoral appeals. (But not impossible, as canned populist appeals indicate each electoral season.)
12. "Modern" here means since the emergence of a national party system in 1828.
13. This discussion draws from Burnham (1982). See as well Przeworski and Sprague (1986) for historical data on levels of working-class voting for several West European nations.
14. The 1953 peak figure is from BLS (1979: Table 161); Troy and Sheflin (1985) estimate the peak at the same year, with a marginally higher 23.9 figure. The 1990 figure comes from BLS (1991: 228). Note that this uses a slightly different estimating technique.
15. The 1974 and 1978 figures are based on BLS (1980: Tables 72, 162, and 166). I have replicated the calculations from these data reported in Freeman and Medoff (1984: 222). For the 1990 figure, from the Current Population Survey, see BLS (1991: 229).
16. Wallerstein (1985: 43) has merged these various studies, converting their results to a single 0-7 scale on centralization (7 being most centralized). The United States and Canada both rank at 0. For select West European states, the rankings are: Austria 7, Netherlands 5.7, Norway 5.5, Sweden 5.5, Belgium 5.4, Finland 5.1, Denmark 5.0, Switzerland 2.2, West Germany 1.2, France 0.7, Italy 0.7. This scaling does not reflect differences in the structure of political systems, the degree of leftist representation in government, or the structure of social programs—all of which can mitigate the effects of decentralized union organizations on the ground. Again, taking such differences into account (see note 6, above), I would argue that Canada (and other “liberal” systems) are less fragmented than the United States.
18. Surveying eighteen OECD countries over the period 1966-82, for example, Cameron (1984: 167) reports a .79 correlation between these two variables.
19. This literature is now enormous. For a recent review, and significant contribution in its own right, see Wilensky and Turner (1987).
22. BLS (1980). The four main manufacturing sectors contributing to unionization were: (1) food, beverages, and tobacco; (2) clothing, textiles, and leather; (3) metals, machinery, and equipment; and (4) transportation equipment.
23. BLS (1980: Table 161).
25. For a recent, clear, and very compressed description of the elements of cooperation and their functionality, see Kochan (1988).
27. On the growth of COLAs, see Hendricks and Kahn (1985).
28. Piore’s (1986) discussion of this, with useful contrasts to European restrictions, is particularly good.
29. For reviews of the decline in U.S. competitiveness, see Dertouzos et al. (1989); Scott and Lodge (1988); Eichengreen (1988). Note that while the U.S. share of world trade continued to decline during this period, U.S. multinationals generally retained market share (Lipsy and Kravis 1986).
30. This phenomenon, and its effects on the calculations of American business elites, is discussed at length in Ferguson and Rogers (1986).
31. Real average weekly earnings in private nonagricultural industry declined continuously during this period, from $758 in 1973 to $766 in 1989. See CEA (1990: Table C-44).
33. The point is emphasized in Edwards and Podgursky (1986).
34. Piore and Sabel, generally identified with the promise of the first extreme, acknowledge the distinct possibility of the second (1984: 278-79).
35. For labor’s failed response, see Ferguson and Rogers (1986); Davis (1986); Moody (1988).
36. The widespread phenomenon of “concession bargaining” underscored the decline in labor’s bargaining power. At least as striking, however, was the ensuing drop in pattern bargaining. On this, perhaps the best evidence comes from two Conference Board surveys of employer wage-determination practices, conducted in 1978 and 1983 (Freedman 1984). In the first, firm managers identified “industry patterns” as most critical to their own wage determination. In the second, industry patterns receded markedly in significance, dropping to fourth overall among managerial considerations. Coming to the fore were narrower concerns: (in descending order of importance) productivity or labor-cost trends in their particular firm, expected profits, or local labor-market conditions and wage rates. Over 1978-83 the number of firms citing one of these as their primary consideration increased a remarkable 64 percent.
37. See, for example, Goldfield (1987), a leading proponent of the thesis of an essentially continuous decline. Bad choices in the 1930s and 1940s, Goldfield argues, cemented a conservative labor movement incapable of resisting a steadily increasing attack by employers and unwilling to make sufficient investments in organizing.
38. The analysis that follows is drawn from joint work with Sigurt Vitols. See Rogers and Vitols (1989).
39. Note here that this is a “structural” analysis, but not one that assumes some inherent properties in occupational or sectoral groupings that make them more or less immune to unionization. What is really doing the work in explana-
tion here is not the structural variables per se but the political context in which they operate. It is that context—extremely inhospitable to the spread of unionization beyond the sectors organized at the outset of the postwar period—that gives them their predictive power.

40. The five sectors are: mining, construction, manufacturing, transportation/communications/utilities, and services. This provides a more disaggregated analysis than that commonly offered (e.g., by Farber [1981]), while also avoiding a common mistake in such accounts (again, see Farber [1985]), viz., the inclusion of the public sector. The structural-decomposition technique I share with Farber does not work well when some sectors go up in density and others go down. When this is the case (as with the public sector during the postwar period), there is some canceling out, and the percent of decline “explained” or “accounted for” by the shift-share analysis is consequently overstated.

41. I report these data in ranges because the results are dependent upon whether one uses as the “weight” the size of sectors in the first year or the last year in a subperiod; since sectors change sizes, they have different weights in the two periods. A more complete explanation is provided in Rogers and Vitols (1989).

42. We used the ratio of the sum of imports and exports to domestic shipments.

43. On deregulation’s effects, see Hendricks (1986).

44. This picture of organizing is confirmed by Voos (1982).

References


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