The Collapse of Organized Labor in the United States

Why should we worry about organizing groups of people who do not appear to want to be organized? I used to worry about . . . the size of the membership. But quite a few years ago I stopped worrying about it, because to me it doesn’t make any difference.

—Former AFL-CIO president George Meany¹

Speaking in 1972, the long-standing leader of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) couldn’t see what was right around the corner for his organization. The “size of the membership” shrank at an accelerating pace throughout the 1970s and 1980s. And what Meany said mattered. Even late into his nearly three-decade reign, a rival labor leader admitted, “Meany is the boss . . . he has achieved centralization of authority,” a feat previous labor leaders failed to accomplish.² Meany’s opinion of and attitude toward organizing set the tone for much of the labor movement. This complacency about organizing exemplified the postwar era of “business unionism” in the United States. During this period, many unions grew into enormous bureaucracies, overseeing millions of members, millions of dollars, and large staffs charged with handling workplace matters. The organizing arms of these unions, meanwhile, “tended to enter a state of atrophy,” according to the sociologists Rick Fantasia and Kim Voss.³ At the same time, battles over collective bar-
gaining became routinized and scripted, sapping much of the grassroots militancy that had characterized earlier upsurges in unionization. Instead, members began to view their union as a service provider: In exchange for a fee (or dues), the union delivered certain predictable benefits. Lost in the transformation was the sense of rank-and-file ownership of the union—and with it the capacity for collective mobilization that could reenergize labor’s organizing muscles, or fend off employer onslaughts on existing unions.

In recent years many labor scholars suggested that organized labor’s transformation from a broad-based social movement to a narrow service provider was a primary factor explaining unions’ present malaise. This perspective argued that during the decades spent contentedly servicing existing memberships, many unions lost touch with their rank and file, and were caught unawares by brewing economic transformations and growing employer backlash. Much of this work is dedicated to identifying the organizing blueprints that have proven successful in the contemporary antiunion climate—blueprints that had nearly disappeared during the 1970s and 1980s. And indeed, those unions that have embraced the repertoire of tactics and strategies encompassing “social movement unionism” have scored some remarkable victories of late, including the widely-heralded “Justice for Janitors” campaign devised by the Service Employees International Union (SEIU). From this perspective, then, organized labor’s decline in the United States was due in no small part to organized labor itself.

Two countervailing arguments call this conclusion into question: the relative failure of recent unionization drives to reverse membership declines, and parallel unionization trends in other major industrialized nations. First, even the most innovative and energetic unions in the United States have learned that organizing in the present economic and institutional environment is exceedingly difficult. These unions have learned the lesson through bitter experience. It is not only labor scholars who have argued that unions’ current predicament stems from labor’s own complacency; after all, many labor leaders also rallied around this view. Over the past two decades schisms have roiled the labor movement, including the 1995 leadership transition within the AFL-CIO and the 2005 split between the AFL-CIO and the newly formed Change to Win coalition of unions. Frustration with a lack of organizing played a major role in both developments. During the early 1990s
many unions saw the AFL-CIO, then headed by Lane Kirkland, as unresponsive to the urgent needs of the movement and complacent in the face of the economic and political challenges facing American workers. John Sweeney emerged as the consensus candidate of the insurgents and assumed the presidency of the federation in 1995, promising to inject new energy into the movement in part by redoubling organizing efforts. Just ten years later, unions such as SEIU had grown frustrated with Sweeney’s lack of progress and broke off to form the rival Change to Win federation—once again promising to focus heavily on organizing. But neither the leadership transition at the AFL-CIO nor the new competition between Change to Win and the AFL-CIO has stemmed membership losses.

Second, for those who emphasize lethargic (or nonexistent) organizing as the primary cause of labor’s woes in the United States, a complicating factor is the international picture. Falling membership rates are by no means a distinctively American phenomenon. Indeed, in some countries unions underwent steeper declines than in the United States. Figure 1.1 displays unionization trends for eight advanced industrial democracies from 1973 to the present. All these countries—dissimilar in so many other ways—experienced at least some union membership erosion. The exact timing and pattern of the declines differ, with countries like the United States and France experiencing steady, linear losses throughout the years covered, while other countries like Sweden show a more curvilinear pattern, peaking in the middle of the series before declining again during the early years of the twenty-first century. The sizes of the membership losses vary as well. Canada’s unionization rate in 2009 stood 21 percent lower than its peak in the early 1980s, a minor drop-off compared to other nations. Between 1973 and 2009, unionization rates in the United States halved. In Australia, membership peaked in 1976, when unions had successfully organized over half the workforce. By 2009, union rolls had fallen by 60 percent relative to their highest level. In France, they fell by more than two-thirds.6

Now it could be that labor unions in all these countries, to one degree or another, simply lost their organizing initiative over the period covered by the figure. Some variant of “business unionism” may have existed beyond the U.S. border, draining other labor movements’ energy, creativity, and drive to reach out and organize new members. And perhaps unions in those countries that were able to limit losses,
Figure 1.1. Unionization rates by country, 1973–2009. Note: Samples restricted to employed wage and salary earners. Source: Visser 2009.
like in Canada, remained more attentive to organizing in the postindustrial period. There certainly may be some merit to that argument. But a more comprehensive explanation of union decline likely lies outside of the relative zeal with which contemporary unions are seeking to expand their memberships.

Public Approval

Organizing is impossible if there is no demand for unionization. Declining popularity rates constitute another potential explanation for labor’s collapse. Gallup has surveyed Americans on their opinion of organized labor for seventy-five years. In 2009, for the first time ever, union approval rates fell below 50 percent—although they rebounded slightly in more recent years. Disapproval rates, meanwhile, doubled from their low point in the 1950s. Could it be that “resentment has replaced solidarity,” as the New Yorker’s financial writer James Surowiecki recently asked? And could this growing resentment by many Americans help explain labor’s contemporary plight?

In a word, no. Unions in the United States are not now nor have they ever been all that unpopular. Figure 1.2 charts trends in unionization as well as responses to the Gallup poll question asking Americans whether they “approve or disapprove of labor unions.” As shown, union disapproval rates in the United States never reach 50 percent. Approval rates have declined in recent years, and they remain well below their 1953 peak of 75 percent. Yet despite 2009’s dip, today a majority of the American public approves of unions.

It is important to highlight the unionization trend during these years. From the mid-1950s onward, organization rates fell, and with them the fraction of the Gallup samples who were union members. Assuming these samples were roughly representative of the U.S. workforce, the portion of interviewees who belonged to a labor union declined by about two-thirds between 1953 and 2011. We know that union members approve of unions by overwhelming majorities—upward of 90 percent. The fact that union approval has not fallen further speaks to unions’ popularity among unorganized Americans. A recent poll of nonmanagerial, nonunion workers found that over half would vote for a union if given the opportunity. The fraction of the U.S. workforce that is nonunion and desires union representation is
higher in the United States than in peer nations such as Canada, Britain, and Australia. If the unionization rate in the United States was simply a function of unfilled demand for unions, then the rate would stand at roughly 50 percent.

The relationship between approval of unions and the overall unionization rate is weak not just in the United States, it is also weak in Europe. Figure 1.3 plots the fraction of the population that supports unions and the overall unionization rate for twenty European nations in 2002. As shown, there is little correlation between approval and organization rates.
In the recent state skirmishes over collective bargaining rights of public employees, polls consistently found that one group in particular supports greater restrictions on public-sector unions: Republicans.\textsuperscript{12} Republican—and conservative—disapproval of unions extends beyond the public sector. In recent years, the partisan gap in union approval has exceeded 50 percentage points. In 2011, for example, only a quarter of Republicans expressed support for organized labor, versus nearly 80 percent of Democrats.\textsuperscript{13} Why do right-wing Americans oppose unions? Similar to many American employers (and there is substantial overlap

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\caption{Union approval and unionization rates in Europe, 2002. Source: Union opinion data come from the European Social Survey (percent agree or strongly agree). Unionization rates are from the Organisation for Economic Co-operation and Development.}
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between the groups), conservatives often believe unions interfere with the workings of the free market, and therefore are bad for the economy. For others, the very notion of a union challenges the values of individualism and self-reliance.

This conservative disapproval of labor unions is not new. The *Wall Street Journal*’s editorial page has long reflected the perspectives of economic conservatives in the United States. And its decidedly antiunion slant extends back over half a century. Typical editorials include “Stooges Unwanted” (1951), about union influence in politics, “Hoodwinking Consumers” (1974), about the costs of unionization to customers, and “American Federation of Lemmings” (1983), about the AFL-CIO’s policy prescriptions.

Employers’ opposition to organized labor also has a long lineage, although a unified business stance against labor took some time to coalesce. The historian Elizabeth Fones-Wolf, for example, suggests that division within the business community existed during the early decades of the twentieth century, with some employers not adamantly opposed to the nation’s fast-growing labor unions. The political scientist Peter Swenson echoes Fones-Wolf’s contention that certain employers did not initially resist labor, even showing that in various sectors “employer organizations welcomed well-organized unions” who helped prevent competitors from undercutting existing businesses. However, by the late 1930s, “a partial mobilization” by the business community began to oppose pro-union policies. The National Association of Manufacturers, for example, lobbied furiously against the National Labor Relations Act (NLRA), the 1935 law that enshrined collective bargaining rights in the country. Labor historian Nelson Lichtenstein describes the 1940s and 1950s as decades marked by “corporate inspired ideological warfare” against organized labor.

In sum, the relationship between public approval and unionization rates is weak in the United States and abroad. If it were not, the nation’s unionization rate would be four times its current size. It is certainly the case that conservative Americans—especially those most concerned with corporate interests—largely oppose unions. This opposition has been with us for some time; according to labor activist Richard Yeselson, “there is no more consistent trope of conservative ideology stretching back over a century than a nearly pathological hatred of unions.” What has changed, then? In part, the ability of employers to accomplish
their long-standing antiunion agenda. This ability has three core antecedents: one, economic changes; two, the interaction between those economic developments and collective bargaining institutions; and three, political developments, which helped reinforce the employers’ agenda.

**Economics**

Paramount among the major economic transformations occurring over the past decades was the global recession of the late 1970s and early 1980s, and the increasing openness of previously protected industries to competition at home and abroad. In the United States, stagnant growth combined with rising prices motivated the Federal Reserve to sharply increase borrowing costs, sparking unemployment. Unemployment lowered workers’ bargaining leverage, as employers could substitute labor more easily, and could weather reduced output during strikes or other industrial actions when demand for their products was low. For workers, the stakes of involvement in a unionization effort during a slack labor market were high: Employer retaliation might land the pro-union worker at the back of the hiring queue.

In the United States, the tough economic climate coincided with the deregulation of previously protected industries, such as trucking and telecommunications, and the rising threat of overseas competition, most notably from Japan and other fast-rising Asian economies. Growing competition from within and abroad raised the costs of unionization for many U.S. firms. Some of these companies responded by mounting a concerted and disciplined attack on unions that would prove incredibly effective (more on that below). Others, meanwhile, found themselves less profitable than their peers, and less able to adapt to rapidly changing economic conditions. And the opening of previously protected industries helped shift employment patterns in the United States—also to the detriment of the labor movement. Union penetration in the United States and other countries was concentrated in core manufacturing industries, along with transportation, telecommunications, and construction. Growing competition in these industries had two major effects on their heavily unionized workforces in the United States. First, they spurred labor-saving technological innovations, reducing employment levels at surviving firms, and second, they forced
the closure of thousands of firms unable to compete in the new terrain. Take Cleveland, once a manufacturing redoubt and once one of the ten most populous cities in the nation. Cleveland’s population at the middle of the twentieth century stood at over nine hundred thousand. By 2010, it had more than halved, to under four hundred thousand. Thousands upon thousands of union jobs disappeared with the city’s shrinkage.

As the traditional labor strongholds hemorrhaged employment, job growth shifted to service and high-tech industries, sectors that unions had little experience in organizing. It also shifted south, to a region where unions had been largely unsuccessful in organizing. Given the differential growth rates between the union and nonunion sectors, even an enormous organizing push within existing union strongholds was unlikely to arrest membership losses—employment gains outside of unionized industries were just too high. And absent a radical recalculation of the costs of unionization by employers in the nonunion sectors, it was unlikely that organization alone could reverse labor’s fortunes. As economist Henry Farber and sociologist Bruce Western concluded in their investigation of the causes of labor decline, “The quantity of organizing activity required to make a substantial difference in the steady-state unionization rate is simply staggering.”

Institutions

Collective bargaining institutions filter the effects of economic transformations. As the economist John Godard has argued, “Market pressures are inexorable only to the extent that the broader institutional environment fosters them.” Given vast differences in the ways in which labor movements are institutionalized throughout the developed world, this filtering process has weakened organized labor in certain institutional contexts such as in the United States, while leaving membership rates robust in others. Two institutional designs seem most relevant to this discussion: the degree of centralization, and union control of unemployment insurance systems. The centralization of collective bargaining institutions varies widely across the industrialized democracies. In some nations, such as Norway, wage bargaining occurs at the national level, involving representatives from government and from labor and employer federations. In other countries, bargaining is
decentralized to the industry level, where wage agreements are decided between representatives of, say, transportation unions, alongside representatives from major transportation companies. In the United States and countries such as Great Britain with similar arrangements, bargaining typically occurs at a level even lower than industry. Here, with a few notable exceptions, bargaining occurs at the enterprise level, where individual employers square off against individual locals, locals that are sometimes—but not always—supported by the controlling international union.

Why does the degree of centralization matter for labor’s fortunes? Comparative research has offered multiple reasons. First, in highly centralized systems, the negotiated wage frameworks often extend to non-members, reducing employers’ resistance to unionization. Why bother fighting off an organizing drive if the pay and benefit scales are likely similar regardless of whether your firm is unionized or not? Second, centralized labor movements coordinate better, preventing the type of bitter interunion battles so common in the United States. Third, in highly centralized systems, organized labor often plays a large role in devising macroeconomic policy. This influence helps steer policymakers away from decisions harmful to unions.

Despite huge variation in the degree of centralization across countries, in the 1980s union membership declined in the vast majority of the developed nations. Economic shocks put organized labor on the defensive, and many countries responded to the shocks in part by dissolving existing bargaining structures, disadvantaging organized labor. But some countries’ labor movements were able to withstand the shocks better than others, especially those in which unions controlled unemployment assistance systems. These so-called Ghent systems (named after the city in Belgium where the scheme was first adopted) helped cushion the effect of economic downturns on labor’s fortunes: Unemployed workers gained familiarity with and tangible benefits from unions as they sought new employment. Union control of unemployment insurance systems helps explain both the generally high rates of organization in countries like Sweden and Denmark, and the lack of substantial decline in representation rates during the 1980s.

In the United States, the unemployment insurance system is administered by the Department of Labor—a government agency—together with each state. That has been true since congressional passage of the
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Social Security Act in 1935. Thus while the lack of union-disbursed unemployment benefits helps explain the United States’ generally low organization rate compared to other nations, it can’t explain why membership losses were so steep from the 1970s forward.

But just as institutions matter, institutional change matters as well. Industry-level bargaining once predominated in core unionized sectors in the United States. Agreements hashed out between a union and a key firm in an industry—say, Ford in auto manufacturing—would serve as the basis for contracts among the other major firms in that industry. Beginning in the 1980s, however, employers successfully broke so-called pattern bargaining, preferring instead to handle wage and benefit negotiations at the level of the individual enterprise. Highly decentralized, enterprise-level bargaining has typified labor-management relations in the United States for the last few decades. And this level of bargaining places labor at a severe disadvantage. For one, it encourages jurisdictional disputes among various unions who expend resources fighting over the most fertile terrain. Employers, meanwhile, can claim to their workers that unionization will reduce the company’s ability to compete with the neighboring nonunion firm, dampening rank-and-file support for the drive. Or they can simply shift operations to non-union enterprises. Employers in core union industries like aerospace, auto, steel, and mining perfected these tactics and others, putting unions on the defensive during tough economic times. These tough economic times, meanwhile, helped foment a political climate that turned sharply against organized labor.

Politics

In early August 2011 many Americans—not to mention international holders of U.S. Treasury securities—exhaled in relief after Congress narrowly avoided a default on the nation’s debt obligations. But relief would have to wait a bit for over seventy thousand idled workers caught up in an ongoing congressional battle over reauthorizing the Federal Aviation Administration (FAA). Negotiations concerning the lifting of the country’s debt ceiling had consumed congressional activity for months, leaving little time for policymakers to address other pressing items. Paramount among these items was the impasse at the FAA, resulting in the postponement of all ongoing airport construction projects,
which in turn triggered the immediate furloughing of tens of thousands of construction workers on July 22. The dispute had other tangible costs, including hundreds of millions of dollars in uncollected airline taxes as the imbroglio kept thousands of FAA staff at home without pay. The nation’s politicians emptied the capital for their summer recess without solving the issue.

President Barack Obama summarized the impasse as a “lose, lose, lose situation.” It certainly was a loss to all the workers without paychecks at a time when the nation’s unemployment rate neared double digits. Growing pressure from the public and key politicians—including the president—led to a temporary solution as the Senate majority leader, Harry Reid, along with House Republicans and Secretary of Transportation Ray LaHood, devised a short-term measure that returned workers to their jobs in return for promises to end certain government subsidies to rural airports. All sides agreed to reenter the battle over a longer-term reauthorization bill later.

Why the impasse in the first place? On the surface, the dispute appeared to be another in a long line of standard partisan battles, with the two parties agreeing to disagree simply for the sake of disagreeing. Underneath, though, was a bitter power struggle over unionization rules. In April 2010 the National Mediation Board (NMB) handed down a regulation concerning union election procedures in the airline and railway industries. Congress established the NMB in 1934, and its jurisdictional bounds extend no further than those two transportation industries. The National Labor Relations Board (NLRB) governs collective bargaining procedures in most other areas of the economy outside the public sector. And in contrast to the union election process in industries overseen by the NLRB, since the NMB’s birth it has specified that a successful unionization election in airlines and railways requires that the union secure the votes of over half of all eligible voters. Take, for example, flight attendants at Delta. Should they desire union representation, 50 percent plus one of all Delta flight attendants must vote for the union. Abstentions, spoiled ballots—and all of those Delta flight attendants who for one reason or another did not participate in the election—these all count as “no” votes under the prevailing NMB rules. The labor scholar Kate Bronfenbrenner has argued that this system creates an incentive for companies to suppress turnout, since every vote not cast counts in the firm’s favor. Two unionization battles involving
Delta Airlines in 2000 and 2002 certainly support her testimony, as the airline blanketed work sites with “Give a Rip” posters urging workers to shred their ballots.27

The 2010 decision by the three-member NMB board altered the election procedure, bringing it in line with how union elections are conducted elsewhere in the private sector—and how every election for political office is conducted in the United States.28 Certain Republican congressmen objected to the move and inserted language reversing the board’s ruling in the FAA reauthorization bill. In response, Democratic senators rejected the House’s bill, demanding a clean one stripped of any union-related language. The House then sent the Senate a temporary reauthorization bill without the union provision, but this time demanded the end of federal subsidies to certain rural airports, with the likely effect of forcing the closure of a few airports that happened to be located in the home states of key Democratic senators. The senators weren’t amused, and the FAA limped on without proper authorization until the temporary deal was reached weeks later.

As noted above, institutions are not fixed, and the NMB example highlights one way in which the blueprints that guide collective bargaining can change over time. It also highlights how these institutional changes often stem from bitter political fights. The NMB ruling was instituted only after President Obama tipped the ideological scales of the agency by appointing a past president of a flight attendants’ union to the board. As we have seen, the rule change was not greeted neutrally by policymakers. It incensed congressional Republicans, and temporarily led to a partial shutdown of a major government agency. And while the change to the NMB was significant, it was limited to just two industries. The NLRA, and the NLRB—the act’s ruling board—provide the guidelines for collective bargaining in the rest of the private sector. One institution that has been fixed in stone is the NLRA. It hasn’t been significantly altered for over half a century. Yet this lack of change to the nation’s labor laws is itself a direct result of multiple political fights, with one clear winner.

Organized labor has mounted repeated efforts to alter the NLRA, and has lost on every occasion. This resistance to change, in turn, has political roots. A massive influx of corporate donations helped persuade many policymakers to vote against efforts to alter the existing laws governing employers and labor unions. And scholars have argued that
a cumulative result of all these failed efforts has been private-sector union decline. How can a lack of a change contribute to declining unionization rates? After all, unions in this country thrived in the past when the collective bargaining framework looked little different from how it looks today.

Answering this question requires an examination of what happens when one side begins to break the formal rules established by the NLRA. Beginning in the 1960s, employers started to test the law’s limits. While business opposition to labor unions was not new, scholars agree that by the late 1960s and into the 1970s and 1980s, organized business had really begun to perfect its antiunion tactics. Instead of playing by a mutually agreed-upon set of rules that had governed what was deemed permissible in collective bargaining disputes, employers began skirting the law, pricing in the resulting penalties as simply one of the costs involved in fighting unions. As the political scientists Jacob Hacker and Paul Pierson have argued, this recalculation proved fruitful, as companies quickly discovered that “defying the law was far cheaper than risking any prospect of unionization.” Unions responded predictably, by filing an increasing number of unfair labor practice (ULP) charges against companies and demanding back-pay and the reinstatement of workers unlawfully terminated during election drives. They won a lot of these legal battles, but would lose the war. This period corresponded first with a decline in union win rates, and subsequently with a dramatic decrease in union election drives.

How come? To take one example, the union UNITE HERE embarked on a organizing drive of Goya warehouse workers in 1998. Goya is a food manufacturer whose reach extends throughout the Western Hemisphere and parts of Europe, but the site of this particular labor strife was in Miami, Florida—a lightly unionized city in a lightly unionized state. During the course of the campaign, the NLRB found that the company had committed over twenty infractions. Yet the penalties for these infractions did nothing to deter the company from delaying the unionization process. After over seven years of legal wrangling, the NLRB issued a final ruling ordering Goya to resume bargaining with UNITE HERE, although under existing laws the board cannot force the company to agree to a contract. As the former president of the union remarked, “If this is winning, it’s hard to imagine what losing looks like.”
While companies increasingly stepped over the breach separating permissible from impermissible behavior during union elections, many of the tactics perfected by firms against unions were perfectly legal: captive-audience meetings, distribution of antiunion literature, delays in the establishment of a first contract following a union win—these were all allowed under the law. What changed was employers’ willingness to deploy these and other weapons. Over time, they simply became automatic responses to a unionization drive—their use was institutionalized. Combining legal stratagems with tactics clearly impermissible under the law, employers enjoyed great success at stifling organization. And this is why unions in recent decades have expended so many resources in the political arena trying to change the NLRA. Unfortunately for them, the political environment has turned decisively against organized labor.

As it became clear to unions that the game—if not the formal rules—had changed, the labor movement pressed politicians in Washington to update the NLRA to reflect the new challenges labor faced when confronting employers. A major legislative push began in the late 1970s. First unions hoped to dismantle the section of the Taft-Hartley Act of 1947 authorizing states to pass “right-to-work” statutes. In a state with a right-to-work law, employees in unionized workplaces are allowed to opt out of union membership and, by extension, paying dues. Recognizing that it lacked the votes in Congress for such a reversal, organized labor then concentrated its efforts on updating union election procedures: increasing fines levied on corporations found in violation of the law during unionization drives, and shortening the deadline by which companies had to pay for their violations. The changes passed the House of Representatives by a large margin, and the showdown turned to the Senate. There, intense lobbying by U.S. businesses against the update—antiunion companies and their allies outspent organized labor by a three-to-one margin—paid off when a successful filibuster by Senate Republicans ultimately torpedoed the bill.34 The labor historian Jefferson Cowie concluded that “one could hear the death rattle of American working-class political power” in this legislative defeat.35

Other major reform initiatives bubbled up over time, only to fizzle out in the face of political realities. Unions simply did not have the votes in Congress or enough presidential support to remake labor law to a degree that could counteract steady membership declines. For example,
early in President Bill Clinton’s first term, unions’ political allies reintroduced a “strikers’ rights” bill that would bar the (increasing) use of permanent replacement workers by employers during work stoppages. Once again, the bill stalled over a successful Republican filibuster in the Senate.36

Establishing a filibuster-proof majority in the Senate appeared to be a necessary—if not sufficient—precondition to any major change in labor law. That opening arrived nearly two decades after the strikers’ rights bill went down, when for a very brief period Democratic control of the White House, House of Representatives, and a filibuster-proof majority in the Senate provided organized labor with a narrow window to push through their latest proposal, the Employee Free Choice Act (EFCA). Initial drafts of the legislation would have radically recast how union elections are held in the United States, bypassing the traditional election campaign in favor of a “card check” policy whereby a union is recognized after over half of workers sign up in support of collective bargaining. A compromise version of the bill would have retained the “secret ballot” election procedure but would have reduced election times, granted organizers greater access to employees on the work site, and instituted binding arbitration if a contract has not been agreed upon after a specified period. During the presidential primary campaign of 2007–2008, unions urged the leading Democratic candidates to support their signature measure, and all obliged, including the eventual nominee and president, Barack Obama. Predictably, business united in opposition to the law, with the vice president of the Chamber of Commerce announcing that the battle over EFCA amounted to “a firestorm bordering on Armageddon.”37

In the end, there was no firestorm; there was no Armageddon. Since taking the oath of office Obama has “presented virtually no prepared remarks on EFCA,” according to the law professor Anne Marie Lofaso.38 And key Democratic defections in the Senate delayed the party’s leadership from proceeding with the legislation. Shortly thereafter, the narrow window for action slammed shut following the 2010 midterm elections that returned the speakership of the House to the Republicans. Over two decades ago, the labor lawyer Thomas Geoghegan doubted “if any group of workers can form a union if their employer is truly determined to resist.”39 No major political progress on labor’s behalf
in the intervening decades has altered the state of collective bargaining in this country. In order to update the labor laws that have helped depress membership rates, unions will have to wait for the perfect political alignment, yet again. Private-sector unionization rates, meanwhile, have settled in the single digits, down 40 percent since Geoghegan’s conclusion.

And that is what makes the NMB airline and railway election ruling so anomalous in today’s era. It was an unambiguous win for unions. Its reach is too circumscribed to affect the overall private-sector unionization rate significantly, and its hold is tenuous—the ruling can always be overturned with a change in the board’s makeup, or nullified by persistent congressional pressure. But for unions it stands as a rare victory in what has been a decades-long essentially futile battle to shift organizing rules in a direction that benefits them and not companies.

The preceding set of explanations for union decline in the United States is by no means exhaustive. Other scholars have advanced alternative arguments, some of which are variants of the ones I present above, and others of which creatively combine elements of the list to produce novel accounts of labor’s demise. For example, the political scientist Paul Frymer has suggested that desegregation played a role in exhausting labor’s strength. During the 1970s many unions, “besieged by litigation costs,” reluctantly implemented court-ordered affirmative action programs. These messy battles would produce an exceptionally diverse labor movement, but one with a battered reputation and a shrunk financial base. In this explanation we see the intertwining of institutional change and politics. Frymer’s fellow political scientist Peter Swenson suggests that in certain U.S. industries employer backlash against unions was necessitated by labor’s overreach. He argues that many unions’ insistence on managerial control helped spark companies’ decisive turn against organized labor in the political arena.

In this explanation we see the creative combining of a variant of the self-inflicted-damage explanation with politics. The sociologist David Brady’s analysis of cross-national patterns of union membership suggests an important role for conservative party control, along with more standard institutional explanations. These various accounts should not be seen as
mutually exclusive. In the messy social world we inhabit, it is exceedingly rare that a single, tidy argument can fully explain such a major change as the collapse of organized labor.

What these accounts do offer is a synthesis of the dominant set of explanations for the decline of private-sector unions in the United States. More than three decades of research on this topic provide the outlines of a fairly comprehensive account of labor’s demise. A small part may have been self-inflicted. Certainly labor’s inability or unwillingness to reach out to new sectors as their strongholds began to crumble did not help arrest membership declines. But it is important to note that organizing the sectors that have experienced rapid employment growth in recent years, sectors like retail and high-tech, has proven exceptionally difficult nearly everywhere. And here is where the international picture is so illustrative. Comparative political economy scholars group together the United States with Great Britain, Canada, Australia, and New Zealand as countries sharing a common political economic framework in which coordination between firms is driven primarily by competitive market arrangements. Comparative welfare state scholars likewise pinpoint a similar group of nations as sharing a common approach to redistribution and, with it, tax policies. These countries’ collective bargaining arrangements—especially recently—are typified by localized bargaining between individual unions and establishments. It is not so surprising, then, that their union membership rates rank consistently lower than those of other groups of countries, and that their recent membership trends have all tilted downward.

A combination of the institutional and economic explanations for labor’s declining fortunes can seem a bit mechanistic: Economic shocks were filtered through the existing institutional architecture, which, in the U.S. case, disadvantaged organized labor. But underlying these developments, it is crucial to remember, was a bitter power struggle between firms and unions—a struggle often waged on the political battlefield. And here is where politics played such a prominent role. After all, the economic developments of the 1970s and 1980s did not have to affect labor as adversely as they did. Policymakers, in concert with union leaders, could have radically changed the rules governing collective bargaining. Or, barring something so transformative, they could have increased penalties on employers eager to exploit loopholes or otherwise take advantage of existing labor law. Such moves are unlikely
to have reversed labor’s decline completely, as other countries with collective bargaining rules much more advantageous to unions also experienced eroding memberships. But they may have helped to limit the damage to unions.

In the United States and, to a significant extent, Great Britain and Australia, the exact opposite happened. Political developments reinforced employer offensives against organized labor. In Great Britain, over a decade of uninterrupted Conservative rule produced a range of policies aimed at restricting unions’ power.45 In Australia, legislation introduced in the 1990s abetted the rapid devolution of the collective bargaining system.46 In the United States, Congress did not pass and therefore the president did not sign any major piece of legislation altering the basic framework governing collective bargaining. This very inaction had tangible consequences. It left labor largely powerless to combat employers’ legal and illegal tactics during organizing campaigns and decertification drives. Employers exploited this power mismatch, simultaneously lobbying lawmakers to refrain from altering labor law while taking advantage of the law’s reach and its limits to fight existing unions and fend off unionization attempts. And political leaders set the tone, no more so than in August of 1981 when President Ronald Reagan issued an ultimatum to striking air traffic control workers demanding they return to their jobs within forty-eight hours or he would fire them all and permanently replace them with nonunion workers. The striking workers, members of the Professional Air Traffic Controllers Organization, did not back down, and Reagan followed through on his promise, decertified the union, and barred the fired employees from working as air traffic controllers in the future.

All of this unfolded in a highly fragmented, firm-centered collective bargaining system during a period of rapid deregulation, increasing competition, and major employment shifts in the industries in which Americans worked. General Motors was once the nation’s largest private employer. Back when organized labor was at its peak, agreements between the company and its highly unionized workforce set the pattern for wage and benefit negotiations within the auto industry and many other firms in the manufacturing sector. Today, the retailing giant Walmart is the nation’s largest employer in the private sector, with approximately one and a half million U.S. employees.47 Nearly one in one hundred workers in the country today is employed by Walmart, a
union-free company in a sector with very little union presence. And today, Walmart is the company whose reach extends well beyond its stores’ walls, affecting the working conditions in its thousands of suppliers and among its competitors in various industries. As Lichtenstein has remarked, the company has become a “world transforming economic institution.”48 It is also a union-free institution, and the leaders of the company plan on keeping it that way, as former CEO H. Lee Scott has made abundantly clear.

The private sector in this country is now also nearly union-free, to a degree not seen in a century. The causes of this transformation have been thoroughly discussed and debated, both within the academy and among the nation’s press and opinion leaders. It is time we explore the consequences.