

# ***USE OUR POWER***

## **A White Paper by the International Association of Machinists and Aerospace Workers**

Fifty years ago, the merger of the AFL and the CIO was cause for optimism. *The Machinist*, our weekly newspaper, carried an editorial cartoon that captured that spirit. It consisted of a monument to the 16.2 million members in Canada and the United States covered by the new federation. Each of the 143 national and international unions who were affiliated had their initials – IAM, UAW, BSEIU, ACWA, AFSCME, AFGE – inscribed on a massive number “1”.

1955 proved a year for pride and prescience.

Walter Reuther, president of the UAW and the CIO, declared: “We will have greater numbers, greater resources, and greater power, but let us not be under the illusion that any success in the future will be determined by greater numbers, greater resources, and greater power.

“Success,” Reuther said, “will be determined only by the manner in which we use these forces. There is nothing wrong when you are strong if the powers you have are used well, if they are used to fight social injustice.”

The question of labor’s power was hotly debated in the run up to the merger. The National Association of Manufacturers embarked on a fear-mongering campaign aimed at preventing the merger. IAM International President Al Hayes described their campaign as “unmitigated nonsense.”

But what Hayes said next can be applied to today’s debate. His remarks to the California Conference of Machinists contained the following gems:

“In the first place, the Labor Movement is not a highly centralized institution. It is made up of millions of men and women, organized into thousands of local unions, joined into hundreds of national and international unions.

“And if anyone has the notion that some one man or some small group of men can push this loose agglomeration of men and organizations around, he doesn’t know the jealousy with which a local union regards its autonomy, or the value the individual member places upon his democratic rights.

“Secondly, the Labor Movement historically and philosophically, is opposed to the abuse of power and the denial of individual rights. It has fought constantly

against such things as sweat shops, child labor, company towns, unsafe and unhealthy work places – all of which were the consequences of the abuse of power by employers.

“And it has fought for such things as public education, public libraries, universal suffrage, unemployment compensation, old age pensions – all of which resulted in greater opportunity and security, and a fuller life, for all Americans.

“It is unthinkable that the men and women who have built their unions as a curb on the use of unrestrained power in one phase of their lives would permit those unions to become tools of unrestrained power in another.

President Hayes concluded his remarks by saying, “Despite the mock fear of these seekers after unrestrained economic power, the Labor merger will succeed, and the whole country will benefit by it in the future, as the entire nation has gained by the activities of Organized Labor.”

Al Hayes and Walter Reuther were right. It is all about *the fight*.

America benefits greatly when the Labor Movement fights for social justice even as it fights against the seekers of unrestrained economic power. What we fight for – a fuller life for all Americans – and what we fight against – our employers and even our own government – defines us as a movement.

The fights waged have been long, arduous and costly. And yet, when organized labor focused its membership, resources and energies on a clearly identified objective, it prevailed. It was how we “used these forces” that made all the difference ... in the world we inhabit today.

That world is far from perfect. No one knows that better than the members of the International Association of Machinists and Aerospace Workers. Each day, they face abuses of power by their employers. And, just as they did fifty years ago, each day they face the unrestrained power of a federal government – its Supreme Court, Congress and Administration – that consistently acts in concert with their employers.

So *the fight* goes on.

And, for the moment, it goes badly.

Here at the Machinists Union, we believe that the current fight for control of the AFL-CIO is a waste of time, energy and resources. That fight is couched in terms of reforms that emphasize “greater numbers,” the exact illusion that Walter Reuther warned us against. And, to us, it is risible that counting noses is to be the sole and supreme test of labor’s power.

The Machinists' view is that how we *use our power* is the acid test of the labor movement. And our power cannot be dismissed lightly. Three examples suffice to make our point:

- In the 2004 presidential election, nearly 28 million voters poured out of union households. Eighteen million of them voted for the Kerry-Edwards ticket and constituted one-third of 55.5 million votes cast by Democrats.
- During 2003, the AFL-CIO and its 63 affiliates disbursed over 6.7 BILLION dollars, reported total assets exceeding 5.7 BILLION dollars and collected 2.2 BILLION dollars in dues or per caps. Those numbers do not include the TRILLION dollars in pension funds and investments maintained for labor union members.
- Working America added 900,000 men and women to our power base in just four states – Ohio, Missouri, Florida and Washington – in less than a year. Incredibly, these community-based allies reported voting 68 to 30 percent for the Democratic ticket and would side with organized labor 56 percent of the time.

The American Labor Movement may be a lot of things. But it is not politically impotent, financially bankrupt or lacking in allies. Its power base is considerable and the potential energy in that power base is incredible. But whether we use our power effectively is open to question

Consequently, here at the Machinists, we have focused our discussion on how we can best use our power. Our discussions, held at the William W. Winpisinger Education and Training Center, spanned two days and involved our international officers and department directors with line responsibility for, and experience dealing with, the programs and policies of the AFL-CIO. These discussions produced a range of recommendations – some trivial, some technical, some tactical and some strategic. But all of our recommendations, regardless of their scope, are proffered in the spirit of solidarity.

AFL-CIO President John Sweeney and Secretary-Treasurer Rich Trumka were present for, and participated in, those discussions for over four hours. We greatly appreciated their willingness to respond to tough, blunt and difficult questions. Their answers were not always what we wanted to hear but they did not duck a single question. Our recommendations were greatly aided by their information and insights.

And yet, what follows is a distinctly *Fighting Machinist* product. It is as much a critique of what has been done recently as it is a strategy for doing far more in the immediate future.

## Use Our Power: A Seven Point Strategy for the AFL-CIO

1. **Use Our Power to conduct the kind of research that can help to focus our discussions over the longer term.** By using new pollsters, new social marketing approaches and more face-to-face meetings with union members and unorganized workers alike, we can find answers to this cascading set of questions:
  - a. First, what do 21<sup>st</sup> Century American workers – as opposed to late 19<sup>th</sup> or 20<sup>th</sup> Century workers -- want? What do they need?
  - b. Second, what are organized labor's objectives? What can we do? Can we improve wages and working conditions even as we try to reform our society? Can we more effectively represent our current members at the bargaining table? Can we simultaneously grow our movement? Can we then connect with other constituencies and advocates and together lead the charge for broader societal change? Or must we focus on but one objective to the exclusion of all others?
  - c. Third, what should the AFL-CIO concentrate on doing? What must remain the sole prerogatives of its affiliates? What requires close and constant coordination?
2. **Use Our Power to vastly expand the number of votes cast by working families.** Starting with the gubernatorial campaigns in 2005 and 2006 and continuing through the presidential campaign of 2008, we should:

- a. **Use Our Power** in states with heavy concentrations of union households. Forget about narrow casting with sandwich programs and create a comprehensive grassroots program, a program with measurements, targets and accountability, aimed at states like New York, Illinois, New Jersey, Washington and California.

Those five states produced 15.1 million votes for the Kerry-Edwards ticket – 27 percent of all the votes they received. And yet, those five heavily unionized states saw NO candidate appearances, NO television ads, NO activity by the 527's, and virtually NO efforts by the AFL-CIO or its affiliated unions.

Compared with states like Wisconsin and Minnesota that saw turnout levels in 2004 of 72 and 73 percent respectively, those five states had turnout levels ranging from 38 to 54 percent. By leaving the most powerful and potent unionized states out of their electoral equation, Democrats lost the popular vote by 3.5 million votes and left state and local candidates stranded.

With 46 million *fewer* voters expected to vote in the mid-term elections of 2006 than voted in 2004, it is imperative that organized labor focus its efforts on turning out *our* vote. And it must involve its allied constituencies in that turnout effort starting immediately.

- b. **Use Our Power** to challenge Corporate America in the targeted states by pushing ballot initiatives that would:
  - i. Create new jobs and new industries using the resources and power available to state governments;
  - ii. Dismantle the insurance industry's lock on an outdated regulatory process that inflates the cost of health and auto insurance; and
  - iii. Link state government contracts for goods and services provided by corporations to the right to organize and the imperative to Buy American.
- c. **Use Our Power** to increase the membership of WORKING AMERICA and the activities of our other coalition partners in the targeted states in order to increase voter awareness and voter turnout in the gubernatorial campaigns of 2005, 2006 and the presidential campaign of 2008.

There is a nearly one-to-one relationship between the critical gubernatorial campaigns of 2005 and 2006 and the most vulnerable Democratic and Republican United States Senators up in 2006. But there exists a clear difference in how those campaigns normally operate – gubernatorial campaigns often rely more heavily on the “ground game” while senatorial campaigns tend to concentrate on the “air game.”

Given how the gubernatorial campaigns in states like the five mentioned above plus Michigan, Minnesota, Pennsylvania, Ohio and Florida will set the stage for presidential campaign in 2008, the need for an effective “ground game” can only be met by expanding Working America's success to those ten states.

- d. **Use Our Power** to discipline politicians who take organized labor's financial and organizational support and then vote against our members' most basic interests. Develop measurements that accurately reflect a Member of Congress' complete record, including procedural and committee votes. And whenever a Member of Congress' record warrants a primary challenge, even if their ultimate defeat is unlikely, then a union member should be recruited to run and his/her campaign should receive the full support of the labor movement.

3. **Use Our Power to project a positive image of the American labor movement on a 24/7 basis every week of the year.** With an investment of \$200 million, the AFL-CIO and its affiliates could create its own cable news and info-entertainment network. What organized labor now lacks is a message delivery platform that reflects the advances in communication technology over the last fifty years.

When kids, women, tennis players, computer gamers, Trivia and Dallas Cowboy fans, Hispanics, the National Rifle Association and international travelers – all have their own cable television channel, organized labor must have one also.

When Ronald Reagan's Rasputin, Roger Ailes, can create FOX News, Fox News Channel, CNBC, and MSNBC and a host of other cable news shows tied to General Electric, then the labor movement must fund a message delivery platform where the Internet, cable television, satellite radio and news come together.

Forget about aping what the Republicans did in the last election. A portal like MSNBC is what Corporate America is investing in today – the future of domestic and international communications – where they can provide wall-to-wall, primetime programming that parallels and parrots their corporate agenda and philosophy.

The AFL-CIO and its affiliates, with their 5.5 BILLION dollars in total assets and their 6.7 BILLION dollars in disbursements each year, can readily afford to finance such a labor news and info-entertainment network. The return on that investment would be a focus on working families and the challenges they face and an opportunity to reinforce the message that union members live better.

4. **Use Our Power to create a Health Care Claims Database.** The unions of the AFL-CIO influence the purchasing of health care benefits for nearly 50 million Americans, including millions of retirees. Many unions directly are involved with health care purchasing through multi-employer trust funds that cover approximately 10 million Americans. Despite this large presence there is virtually no coordination of purchasing among and between unions today.

One place to start is in creating a Health Care Claims Database (HCCD). All unions would agree to aggregate claims data in a central data warehouse, with all individual identification eliminated to protect patient privacy. The HCCD would be used as a source of information for unions negotiating health care benefits and to identify the best performing health care providers and hospitals.

Through use of such information unions would be in position to drive down costs, improve health care quality, and position themselves as a trusted source of information for the entire public on health care issues.

5. **Use Our Power to create a Labor Market Database.** The unions of the AFL-CIO directly participate in the wage setting for over 16 million Americans. Despite being the single most important force for Americans who work in wage setting there is no union-controlled repository of labor market data.

The AFL-CIO should create a data warehouse into which all unions would feed contract settlement information and wage data. Armed with such data, unions would quickly become the most trusted source of information about wages, hours, and working conditions in America.

6. **Use Our Power to enhance the effectiveness and strength of the labor movement's traditional allies and expand our reach to encompass new causes and new constituencies.** Since its merger in 1955, the AFL-CIO and its affiliates have been coalition partners in the greatest social movements of the 20<sup>th</sup> Century. The labor movement's on-going commitment to "fight social injustice" is reflected in the gains won by the civil rights movement, women's movement, the campaign for human rights, the efforts to protect and expand the rights of immigrants and the global efforts to stamp out child labor, slave labor and prison labor. And yet, the fight against the "abuse of unrestrained economic power," as Al Hayes termed it, has NO drop-dead date; respects NO local, state, national or international boundary; and provides us with NO immediate gratification.

The labor movement is a movement because the causes for which we fight are never fully won, never completely mastered. As a consequence of that fact, we must support and sustain our traditional allies even as we reach out to new constituencies and embrace new causes. To that end, we must expand our advocacy efforts at the international, federal, state and local levels:

- a. The fight against injustice starts at home, starts within the House of Labor. An aggressive, rapid response capability must be developed within the AFL-CIO, one based on the principle that an "injury to one is an injury to all." Attacks on the American worker – organized or unorganized – requires a coordinated, clear and compelling response.
- b. When the fight against injustice moves into the legislative and judicial arenas, the AFL-CIO, its affiliates and allies' responses should continue to be coordinated closely. In precedent setting cases and far reaching legislative or administrative initiatives, the AFL-CIO must focus the vast talent found within the labor movement and found among its allies to decisively affect the outcome.
- c. Improving the operations, effectiveness and accountability of the state federations and central labor councils must remain a high priority. Their leadership in fighting for working family legislation, ballot initiatives and endorsed candidates can be invaluable. Their contributions to community service can make a real difference to the friends and fellow workers that

receive their help. And without local union participation and their local community contacts, the fight against injustice becomes another theoretical exercise divorced from reality.

- d. Involving LCLAA, APRI, the NAACP, CLUW, the ARA and other constituencies more directly in the AFL-CIO's deliberations, program development and decision-making is a prerequisite for effective advocacy. These traditional allies deserve respect for what they have done and the resources to do more.

The Working Women's Department needs to be reconstituted and the Working Women's Conference must be reconvened. We cannot profess to support equal pay and equal rights while we deny our sisters within the labor movement an ability to challenge the status quo.

And the fight against injustice cannot be cramped by international boundaries. The "abuse of unrestrained economic power" is most evident in those nations, like China, that demean and maim their own workers. On continent after continent, the exploitation of men, women and children continues unabated. And the AFL-CIO and its affiliates need to be in the thick of the battle against this global exploitation.

- e. Finally, the effectiveness of the AFL-CIO's lesser known but no less effective departments needs to be recognized. Without their advocacy, the workers affected would be left treading water.
  - i. The Safety and Health Department is well managed and always receptive to the needs and concerns of all the affiliates. Even with a small staff, they provide exemplary services in the political arena and OSHA's administrative processes that cannot be overstated. Unions with or without their own lobbyists in DC have benefited greatly from the work of that department.
  - ii. The Department of Professional Employees functions well but operates somewhat in a vacuum in relationship to the AFL-CIO. Compared to other sectors, it struggles for an identity within the labor movement. Those affiliates that are solely "professional" constantly express frustration over the level of attention their issues receive. In this fast expanding sector, the labor movement needs to focus on the changes in the workplace and the challenges these American workers face.
  - iii. The Metal Trades Department relationship with the Carpenters at the various locations is an issue that will not go away. Given the inability of the federation to enforce its own Constitution, both

IAM members and other unions' members will be adversely affected in the local MTC's.

7. **Use Our Power to revitalize the spirit of solidarity that drove the initial merger of the AFL and CIO.** In a fractious and litigious society, it is easy to fall into the trap of us versus them, even when the "them" is really "us." What drove Walter Reuther, George Meany, Al Hayes and others to merge was a clear understanding that the forces arrayed against organized labor were growing stronger by acting in concert, overtly and covertly.

But with 143 autonomous national and international unions, each with its own unique history, culture, local politics and agendas, the founders of the AFL-CIO also knew that the spirit of solidarity would ebb over time. So, they sought to institutionalize within the House of Labor mechanisms that could resolve disputes between affiliates and between the AFL-CIO and its affiliates. Those dispute resolution mechanisms were not based on trust, but on transparency and absolute impartiality.

After fifty years, a complete reevaluation and revamping of how disputes are resolved is needed. And we must start with what seems to be the most contentious issue in the current debate – the budget and program priorities of the AFL-CIO itself.

- a. Affiliates need much more specific information regarding the AFL-CIO's overall budget as well as detailed budget (financing) for all of the federation's various activities, past, present, and anticipated. The lack of transparency that currently exists at the AFL-CIO is one of the contributing factors to misunderstandings and confusion within the labor movement.
- b. While detailed budgets and program work plans are developed by the AFL-CIO, the lack of prior consultation with the affiliates at the staff level means that the key decision makers, the AFL-CIO's Executive Council, are handed a fait accompli.
- c. Each department at the AFL-CIO should convene a working group of affiliate staff to review the structure, budget, and objectives of the AFL-CIO's departments. Such departmental working groups would also meet on an annual basis to help formulate activities, priorities and objectives for the coming year. Their work product would be reported to, and reviewed by, the Executive Council for discussion, direction and approval.

While greater transparency in the formation of the AFL-CIO's programs and initiatives is needed, the jurisdictional dispute mechanisms, both Article XX and XXI, are broken beyond repair.

a. The Article XX procedure is now dominated by attorneys and, as a result, is more contentious and convoluted than ever. The mediation process is nothing more than a complaint session. And all parties want to go to the arbitration step, even when they are clearly wrong.

The AFL-CIO needs to revamp the Article XX process to emphasize settlements in the mediation stage. The process should be driven by a realization that the more we fight each other, the less employers have to expend in time and funds.

b. Given the vast numbers of unorganized workers – over 125 million by last count – the Article XXI process should be geared to reaching a speedy, final conclusion of disputes. Rather than focusing on debatable indicia of organizational activity, perhaps the process should be driven by the earliest date of any activity. And, rather than reflecting which union has the most political clout within the AFL-CIO at any given moment, jurisdictional determinations should be made in an absolutely impartial manner based on the facts presented.

c. Neither of the current AFL-CIO internal dispute resolution mechanisms have any teeth. That must change. A panel of permanent mediators/arbitrators should not only determine the appropriate union jurisdiction, as they currently do, but should have the authority to assess damages equal to half of the dues collected by the offending organization. An independent team of researchers should be available to the mediator/arbitrator to determine damages and to try to fashion settlements of disputes.

## CONCLUSION

A 6.7 billion dollar movement can do all this ... and more.

A 6.7 billion dollar movement with 13.3 million members can forge a new spirit of solidarity. It can celebrate its successes over the last 50 years even as it uses its power to win new victories.

A 6.7 billion dollar movement that casts over 28 million votes in the 2004 presidential election can get our vote out in the elections of 2005, 2006 and 2008. And by winning those crucial gubernatorial elections, we can use our power to win the White House next time.

A 6.7 billion dollar movement with millions of traditional and new allies can fund a labor news and info-entertainment network. By delivering content to the television sets and computers of working families – organized or unorganized -- it can use our power to persuade potential members to join us.

A 6.7 billion dollar movement imbued with the renewed spirit of solidarity can continue to win victories at the bargaining table and at the ballot box, victories that can catapult more of our members into the great American middle class. If we use our power decisively, if we use our power with sheer determination, then the America Labor Movement can and will justify the optimism that surrounded the merger of the AFL and CIO in 1955.

As IAM President Al Hayes said in his Christmas message to IAM members that year, “Peace and unity between the two great families of labor, the AFL and the CIO, bring to all working people on this holiday new confidence, new strength and new opportunities.”