Section 2: Representation

Introduction

Suzanne Cummings is project manager for *Invested* and Regional and Community Outreach at the Federal Reserve Bank of Boston.

Understanding the vital importance of strength in numbers to rights and representation, labor unions have served as the central outlet for worker voice in the United States since the New Deal Era. For generations, unions sought to protect and advance workers' right to a safe and fair work environment. While some union organizations remain strong and active today, overall union membership has dropped in the U.S. over the past few decades even as recent surveys show interest growing among nonunion workers in joining unions. Our opening section in this issue on worker voice digs into the reasons for and results of these changing dynamics, and explores how unions are evolving and building new connections within a radically different economy today.

First, a labor expert helps set the stage for our issue on worker voice with a look into the history, evolution, and policies of the U.S. labor movement. Her commentary and two accompanying animations illustrate the importance of worker representation and the contributions of unions to economic wellbeing, mobility, dignity, and safety in the workplace.

Next we learn about the role of traditional labor organizing from two Massachusetts union representatives who speak about the value of unity, collaboration, inspirational leadership, and widespread buy-in and participation from union members to getting things done. Then we discuss with an economist the "two faces" of unions, and hear more about how unions could evolve their structures and strategies to better serve the needs of modern workers in a changing workplace.

We then hear about—and get to experience in a live video—a new twist on union organizing from members of the Maine Lobstering Union, whose unexpected connection with the International Association of Machinists helped them come together to defend and advocate for their proud, generations-old industry.

"Union density in this country is now lower than it was before workers had a protected right to join unions. That says to me that there's something pretty fundamental not working in our law."

Sharon Block is the executive director of Harvard University's Labor and Worklife Program, a labor education, research, and policy center at Harvard Law School. Block served as a member of the National Labor Relations Board and in senior labor policy positions in the Department of Labor and White House. This interview was conducted on December 4, 2017, and has been lightly edited.

Q: What are the benefits now to workers who do still have access to a union of having a union presence in the workplace?

A: There has been a lot of focus on the weakened state of the labor movement in this country and in many places around the world, but it is important to remember that there are still almost 15 million union members in our country. Unions are among the largest, if not *the* largest, civil society institutions for working people, and there are reasons that people are fighting so hard to keep these rights even under very difficult circumstances that we've seen for workers in recent times.

One factor is the wage premium for union workers; on average, a worker covered by a union contract earns more than 13 percent more in wages than a peer, and that's controlling for things like education, occupation, and experience. That's a pretty substantial benefit. But there is also a wage benefit for all workers in a sector in a geographic area where there's a higher concentration of union members, so everybody benefits when unions are stronger.

Another factor that is closely related to this wage premium but that I think really needs more attention is the wage boost's fairly significant impact on inequality. It is not a coincidence that as we've seen a dramatic decrease in the number of workers in unions and covered by collective-bargaining agreements that we've also seen this historic increase in income inequality. Some researchers have found that up to a third of our current income inequality may be attributed to the decline in the labor movement.

The last factor is that unions are really important actors in our democracy. Belonging to a union is a crucial way for workers to have a voice in current political debates, and I think with the decline of unions we are seeing a loss of worker voice in political life today.

Q: Why has overall union membership declined?

A: There's one statistic that I find shocking but also really telling: union density in this country is now lower than it was before workers had a protected right to join unions. That says to me that there's something pretty fundamental not working in our law. In fact, there's been a lot of activity from worker organizations outside of the traditional labor movement, and the people who run those organizations say they are actually trying to stay outside the law's protection because it just doesn't work. So they would rather *not* be a union than be a union, and that's a pretty telling state of affairs. The law doesn't protect workers the way it needs to. It isn't agile and nimble enough to adapt to the kinds of changes we've seen in our economy. Enforcement is much too weak.

But I think there are also other reasons. Our economy has deindustrialized, and the service sector is traditionally where unions were not as strong. You also have the phenomenon that David Weil calls the "fissuring of the workplace," in which employer-employee relationships have become more attenuated, and

that makes organizing harder. You have people working in the gig economy who have been told that they have no right to join a union. Globalization undoubtedly has had an effect. And looking down the road we have to think about automation and what impact that's going to have on how workers organize themselves.

Q: In what ways do you feel labor law in the U.S. no longer works?

A: Sadly, I think that there are many ways that U.S. labor law no longer works. I can touch on a few significant problems. First, the compulsion in the law to organize at the individual-business level has become a great impediment to organizing on a meaningful scale in many sectors of the economy. In thinking about ideas for reforming the law, we need to look at the way other countries structure collective bargaining at the sectoral level. Second, our labor law creates a winner-take-all system. If workers who want to have a voice in their workplace can win an election with a majority, they get to have an exclusive representative at the bargaining table, but if they fall one vote short, they essentially get nothing. That seems like a very rigid system. I'm interested in thinking about how other models of representation and voice could work. Third, the incentives for complying with the law are just too weak. Unscrupulous businesses can treat violating the law as just a manageable cost of doing business. No right is worth much if enforcement of that right is so weak.

Q: What about state-level pressures? Can you speak a bit about right-to-work laws and right-to-work states?

A: The way the law works is that if the majority of the workers in a particular workplace vote to have a union, that union is then required to represent and act on behalf of all of the workers in that workplace. They bargain collectively on behalf of all of those workers. They have to process grievances on behalf of all of those workers. In a right-to-work state, however, unions don't have the right to ask for compensation for that representation from all the workers—only the ones who choose voluntarily to support the union. In non-right-to-work states, however, the union and the employer can bargain to ensure that all of the workers support the services that they receive from the union. So the policy in right-to-work states just creates a classic free-rider problem.

We've seen a huge increase in the number of states that have become right-to-work, which has had a significant impact on the resources of unions and their ability to fully support their organizations and their members. Right now, the Supreme Court is even considering a case, Janus v. American Federation of State, County, and Municipal Employees, about whether public-sector employees across the country can be required to pay dues for their union representation—essentially, whether we're going to become a right-to-work country for public-sector employees.

Q: Is employer retaliation against those who try to organize still a threat?

A: Retaliation is absolutely a big threat, and it can really cloud workers' willingness to engage and step up because often, especially if you've got a hostile employer, it takes a certain bravery to be willing to do that. And again, we come back to the difficulty with the law, because you can be fired for supporting a union-organizing campaign and it can take literally years to get your job back. This is not something I say easily as a

former member of the National Labor Relations Board—it's an agency I care tremendously about, and this problem isn't a function of the people there not trying hard enough. It is really a structural problem in the law.

When I was a member of the Board one thing we tried to do is use the authority we had to return people to work very quickly when they were discharged during a union organizing campaign. There's a provision in the Act, Section 10(j), that allows the Board to go to court to get an injunction in exactly that situation to get people reinstated quickly. It's a powerful tool, and we tried to use it judiciously but appropriately and vigorously. But it's all dependent on workers having the courage to come forward and even say, "I supported this organizing campaign, and I think something bad happened to me as a result."

Q: What does the National Labor Relations Board do, and how can workers take their case to the Board?

A: The National Labor Relations Board was established by the NLRA in the 1930s as the adjudicator of the rights established within the Act. So if you have an organizing campaign in your workplace and you think that your rights have been violated, either you or your union can file a charge with the Board. The Board also protects the rights of workers acting in a concerted manner even if no union is involved. Any time workers band together to affect their work conditions, the Board should be there to stand up for their rights. The Board is composed of five members who ultimately are responsible for interpreting the NLRA and deciding whether the facts as described in a given case constitute a violation of the law or not.

Q: Are there particular dangers that face workers who aren't represented by a union or any kind of organizing campaign?

A: It's an interesting question, because I think a lot of people don't think about the safety aspects of the right to collective bargaining. There are numerous studies that show that workplaces that are unionized are safer. So this really becomes not just a question about money—I think it's a question about dignity, integrity, and also safety. So as you have industries where there is less and less union representation, you may start to see an increase in cases of workers getting hurt or sadly even killed on the job.

Q: Are there ways in which you think labor unions should update their structure or operations to better meet the needs of today's workforce?

A: I believe that unions need to be open to innovations around how to support the vast majority of workers who are not formally represented by a union. And in fact, we are seeing the traditional labor movement support many of the most exciting innovations. For example, the Fight for $15 campaign has strong backing from SEIU. The Machinists Union is leading the Independent Drivers Guild, a nonunion organization working with Uber drivers. And many unions have provided support for worker centers, which are community-based organizations that provide education, legal, and advocacy services for predominantly low-wage and immigrant workers. In addition, I think it is important for unions to think about how to best use technology to reach more workers.

Q: And for younger workers, who may not have grown up with unions in the workplace in the same way, are there aspects of a traditional labor union that you think might make them less attractive to younger workers, or anything that unions could be doing to appeal more to that group of workers?

A: I would say first and foremost, unions need leadership that looks more like their workforce, and that includes being more hospitable to younger workers moving up in leadership. The demographics of our workforce have obviously changed, and so have the demographics of union membership. We have not seen as much of a change in the demographics of union leadership, though, so I do think that's a really important aspect of this.

I also think it's really important for unions to think about how younger people communicate and what issues are important to them. Research shows that younger workers are less likely to silo issues. They don't think just about economic issues, and racial justice issues, and about immigration issues—they see these things as all interconnected.

With the decrease in union density, to some extent we've lost a great deal of the personal narrative around the importance of being in a union, and the power of collective bargaining and acting collectively. There are plenty of people who don't know anybody who's a union member. They don't know those stories of what a difference it can make in the lives of American workers. This summer, I talked to a few different groups of law school students, and whenever I talk to that kind of group, I always start by asking if any of them are union members. Well, they're young and they're in school, so it's not surprising that usually no one raises a hand. So then I ask if anyone has a family member who is a member of a union and so on, and often I have to keep going until I get all the way down to asking if anybody has seen season two of *The Wire* before I find any kind of connection. So we've really got to find ways to tell stories of what it means to be part of the power of acting collectively, whether that's in a union or in other ways.

Q: How do newer worker movements differ from traditional union organizing? Is there a structural difference?

A: Yes. There are all sorts of financial reporting requirements. If you're a labor organization, you're required to have a constitution and bylaws, you have to have democratically elected leaders, and there are all sorts of other regulations that come along with that kind of designation. A key constraint is that unions can't engage in secondary activity, so they can only take action against the employer with whom they directly have a labor dispute but not their suppliers or customers or anybody else, which can limit how unions can express their concerns.

Organizations that are outside of that definition, because they're not actually representing workers in bargaining with employers, don't have that constraint. They're also sort of outside the formal legal structure, so they can be more creative in terms of how they approach workers, what that pitch is about, and what value they're going to bring.

They're outside the formal legal structure in terms of being a labor organization or a union, but it is really important, and a lot of workers don't know, that the NLRA does protect all workers' rights to act collectively, however they want to do that. It's not that you have a right to get what you *want* when you stand together and go to your employer, but you can't be retaliated against for the fact that you chose to stand and voice your concerns together.

Q: What is the role of employers in this work? Are there instances where employers have stepped up and supported workers who've organized around something, wanted to have more voice or influence in the company, and why do those employers typically choose to do that or get involved?

A: There are always good employers. We don't talk about them as much because we have to use resources wisely, but we should do more to lift up good employers. A great example is Kaiser Permanente. They are sort of the gold standard of how an employer can really get the most out of its relationships with its organized workforce. They don't limit their interaction with their organized workforce just to how much do you get paid and what your hours are, but they've really used that relationship as a way of getting input from their frontline workers on how to run a better business, how to be a better hospital, and how to provide better healthcare—so that's a great example.

You can also look at what happened with the auto companies during the Great Recession. Their relationship with their unions and their ability to sit down around the table quickly—maybe not as quickly as we had all hoped, but to really figure out a path forward and what was it going to take to be able to keep those companies afloat. I think it was the president of Ford who said they wouldn't have been able to do that had they not had a partner in the United Auto Workers. So there are definitely models out there, but sadly there just aren't enough.

Q: What are you most optimistic about when it comes to unions and organizing today and beyond?

A: I think what I'm most optimistic about is what's going on in cities and states—seeing broad-based coalitions across communities with workers and other community groups really getting that our cities, our states, and our country will be better if more workers feel more secure and feel that they have more agency in this economy. I am excited that we're seeing some bright spots in a lot of cities and states. Most of my career has been at the federal level, but there's such an important relationship between what starts in the cities and states, and then what happens at the federal level in terms of these experiments. I think there's a tremendous amount to learn from what's going on now on the ground.

This is a really important time for innovation and creative thinking within the labor movement and within other groups that are organizing workers. It's all about the end, it's not about the means—and the end is to find ways to have a middle class again in this country that's thriving, and to have more people feel less vulnerable and precarious.

"The way I think about it, the workers are the union and if the workers are asleep at the wheel and not active politically, then the union can be weak. It takes good union leadership to involve the membership and to let them know that they've got to be part of this thing, because otherwise the union could easily get picked apart. You get strength in collective bargaining when you have unity in the workplace." – Steven Tolman

"My members are service workers—they take care of the elderly, they take care of children, they're social workers, they clean buildings, and it's very hard to outsource that kind of work or to replace it with machines, so far. But if we don't have that organized power then the people whose jobs can *be automated become expendable. And nobody should be thrown away." – Harris Gruman*

Harris Gruman is the executive director of the Service Employees International Union (SEIU) Massachusetts State Council, a coalition of local SEIU chapters throughout the state working together on common issues and politics. **Steven Tolman** is the president of the Massachusetts chapter of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), a voluntary federation of a wide range of American unions. This interview was conducted on March 1, 2018, and has been lightly edited.

Q: Please tell us about your organizations and your role within them.

STEVEN TOLMAN: The AFL-CIO is voluntary for unions, and they pay dues if they belong. One of the key things we do is keep the leaders of the different member unions informed of what's going on politically. Each union has their own politics as well, but the national AFL-CIO makes decisions for national-level issues, we make decisions on state-level issues, and then the central labor councils do that in the municipal areas. So you work with different leaders to make sure that all understand each other's problems. That's the challenge and the fun of the job—you're not doing the same thing every single day.

HARRIS GRUMAN: It's very similar at the Council. We're coalition organizers, Steve and I, so we're organizing a coalition of labor unions. I spend a lot of my time on that, making sure they're working together. We have the slogan "stronger together," which is really a true thing and something we say with a little bit of irony whenever there's a disagreement in the coalition family. The goal is really to find that unity, and then to find unity with the rest of the community, and that's something that I think the AFL-CIO and SEIU have been doing really good work with. I'm actually mandated by my council to spend 50 percent of my time doing outreach to nonunion partners—churches and community organizations, primarily—to bring them into the work that we do together.

SEIU actually had an interesting start. In 1921 in Chicago, a group of German socialist immigrants who worked as building janitors in the apartment complexes there, some of whom came from quite well-educated families

in Germany, were struggling to make ends meet as immigrants. They found that most of the other building janitors in Chicago were African American, and no one had sent them the memo that white people didn't work together with black people, and so they organized a union where 50 percent of the leaders were African American and 50 percent were German American. We have this beautiful picture still of their board of directors, and it's the most integrated board I have ever seen—even today it would be admirable, and this was in 1921 in Chicago. So I'm very proud to be working for a union that has that origin. Obviously we've gone through all kinds of ups and downs, but we still have had a very strong base in African American communities, in Latino communities, and immigrant communities—they have always been the centerpiece of our union.

Q: How did the rise of unions impact the quality of the employment opportunities available to workers and the financial security of Americans?

ST: You know, I started out my career as a union railway clerk. The railway clerk union was founded in 1881 in Missouri. The railroad unions go back to just after the Civil War, when most of them got organized, and they have a really proud tradition. I got out of high school and I wasn't going right to college, mainly because I was the sixth of eight children and there was just not enough money, so I went right to work. I was 18 on October 2nd, and on October 10th I started on the railroad. And here's what it was like then that I wish was still true today: I came into the job at 100 percent pay with the same benefits as the guy who worked next to me, who was 65 and retired just six months after that. It was the same pay package, and it was a wonderful job.

But that doesn't exist today. Employers want you to come in and start at a much lower rate, you'll be paying more for your insurance, and there will probably be no pension. The benefits and the employment security some of us know today were originally fought for by the labor movement, and today we see that under attack in an enormous way.

HG: The union movement helped build the middle class. That's something that sounds like a cliché but for many of us, you can really feel how true it is if you think about your family history. If you go back a couple generations before the New Deal, before unions were strong, you have people living in sod huts and shacks in rural areas or in cold water tenements in the cities—that was true for my family. And then those workers got union jobs and they started to move into the middle class and their kids got an education—all the things we take for granted and think of as just rising out of America's prosperity. It's actually America's *shared* prosperity, and it was shared because of the labor movement.

Q: What is the role of workers within the union, and what are the benefits of belonging to a union?

ST: The way I think about it, the workers are the union and if the workers are asleep at the wheel and not active politically, then the union can be weak. It takes good union leadership to involve the membership and to let them know that they've got to be part of this thing, because otherwise the union could easily get picked apart. You get strength in collective bargaining when you have unity in the workplace. So it isn't about, "I'm the union leader and they do everything I say;" it's about how I inspire them to be active themselves and make intelligent decisions to make the process better.

HG: Right. They have to know that they have a voice on the job to be able to contribute to and become partners in the workplace, and not just be used at the workplace. To take an example from very recent history of bringing people into the middle class: in 2006, SEIU organized the building janitors here in the financial district in Boston. When we started the organizing effort they were earning minimum wage with no benefits at all. The contract they've won that's going to be phased in by 2020 will give them $20.00 an hour with full family health benefits. Now that took several rounds of contract negotiation, but that's not a long time for that process to unfold. These are people going from the bottom to a much more stable way of life in a very short time. It shows what a union can do today. These workers deserve to have a good life. I mean, when I was growing up that was the idea, that everyone should have a good life. If you work hard and you work full time, how is it that you can't make ends meet? That doesn't make sense. Everybody's contributing and we have to treat everybody that way, and the labor movement recognizes that—that we're all in it together so we all thrive together or we all lose together.

Q: What do you think unions could do to help address the income gap?

HG: I always like to tell a story about the former head of the United Auto Workers, Walter Reuther. Ford took him into one of their auto plants in 1955 and said, "Look at this, this is the most automated plant we have! There are hardly any workers here, it's all machines." And Reuther said, "Well, that's great, because that means people don't have to do that kind of heavy, degrading, and dangerous work, and they can earn more money with less work." And they looked at him and they said, "Do you understand what we're showing you? These machines do not pay dues to the United Auto Workers!" And he said, "Yeah, and they don't buy Ford cars either." In other words: you've cut your own throats here. But that's the point—people treat unions like they're holding things back, but Reuther was looking forward to a better way of life, and we are still doing that today. Swedish labor unions, for example, have looked at the massive automation coming into companies as a good thing that they are embracing, and they are working on finding new ways for their members to have productive jobs. Workers there have fewer dangerous jobs than they used to have in the mines, because they were automating that kind of work but the unions had power and made sure that whatever gains society and businesses got from automation, workers also got from automation. I thought that was pretty amazing.

And that's the crisis we face right now. Not so much for my members, who are service workers—they take care of the elderly, they take care of children, they're social workers, they clean buildings, and it's very hard to outsource that kind of work or to replace it with machines, so far. But if we don't have that organized power then the people whose jobs *can* be automated become expendable. And nobody should be thrown away—everybody has a lot of value to give and the unions are a way to actually minimize conflict, because you can work these things out instead of letting it fester.

Q: Why has union membership declined? Are there misconceptions about unions that you think are driving that drop in membership?

ST: For years, there are groups that have been painting the picture that unions are bad, that unions are designed in their own self-interest, and that they don't really do what they say they do. But the laws of the land also make it very difficult to organize. It's much more difficult now, and we've been trying to make it at

least some sort of a level playing field, and we haven't been successful in many ways. But at the same time, the interest in joining unions among nonunion workers is significant. The majority of people now understand what unions do. And yet the percentage of workers with a defined benefit pension plan has fallen drastically since 1980. So what do you do? Our moms and dads retired with dignity and had a pension and had a pretty good life, but the next generation coming up behind us aren't going to have anything but the stock market, so how are they going to get by?

HG: When I was growing up in the 1960s, that's the thing my older relatives would say to me: if you want to be a responsible person, get a job that has a defined benefit pension plan so you can take care of yourself and your family. It used to be the basic thing you did, it was common sense. Now it's been portrayed as if you're a greedy person to want to have a defined benefit pension.

ST: There were also caps on healthcare so you didn't go bankrupt if someone got sick in your household. Now we see people go bankrupt for that reason all the time, and the safety net that used to kick in at that point is now gone. So what are we doing? We have to have these conversations and get back to work.

HG: The history of it really is pretty amazing. I think of it as shaped like a mesa, where unions really rose up during the New Deal and became much more powerful because for the first time ever, the government under Roosevelt gave them a free hand to organize. And they grew—five to 15 million people pouring into unions in just over ten years. And a friend of mine used to say, 1946 for America was a revolutionary year—there were so many people in unions and there was so much opportunity. It was like a second American Revolution.

And then came the Taft-Hartley bill in 1948. It didn't try to wreck the unions but it did try to contain them. It came out of what was called Operation Dixie, where the CIO went down to try to organize multiracial unions in the South, which was the weakest union area because of racial division. That drove the Southern Democrats crazy, and they teamed up then with Taft, who was a northern Republican, to pass Taft-Hartley, which said that unions could control the areas where they had already organized but they couldn't go elsewhere. And because unions were 34 percent of the workforce that seemed like a tenable peace treaty, you could call it, and it held for many decades until globalization started to affect things and we needed to be nimble in organizing again like we were in the 1930s and early '40s. But then in the 1980s globalization and deregulation took a heavy toll on unions' power and favorability. So we've been dealing with that, and of course the weaker we get, the easier it is for them to zero in and attack.

It's a big threat. I think we know how we meet that threat and we do have to fight it, but we also have to think about reinvigorating ourselves as a more universal labor movement again, which means really opening ourselves up to collaboration with other organizations—our Raise Up Massachusetts coalition, for example, which brings together faith groups, community organizations, and labor unions. The idea is to build a community coalition so you can organize people where they live through their community group, organize them where they work through their labor union, and organize them where they worship through their congregation. Some people are in one or the other, and some people are in all three. It really reinforces the effort if you organize in those three different ways and together into one movement. And I think the AFL-CIO

here and the SEIU and the teachers union and many others are getting really active in building that kind of a movement again.

Q: How do you think workers and unions have been impacted by changes in the workplace over the past few decades? Has it required a change in the unions' approach?

ST: In the 1950s coming off of World War II when corporations were building and planning their future, they planned hours and benefits for their workers into their financial strategy. It was the idea that the better people do, the better the communities will do, and the more people will get educated because you can share the wealth. And then as things started to get tighter financially in the '60s and '70s due to foreign competition, companies started looking for ways to cut corners and cut down hours and pay. When you continue to keep cutting the corners in workers' pay and benefits and conditions, it has a very devastating ripple effect into their communities. And now corporations are more and more interested in bringing robotics into their plants, and my concern is, what will happen to people and communities if there aren't enough decent jobs?

HG: Yeah. It's something our union has always had to deal with. Recently we organized personal care attendants who work for Medicaid and take care of frail elderly people and people with disabilities. There are 45,000 people in Massachusetts working in those roles just for the Medicaid department. Some of them work for six hours a week. Some of them work for six different clients and travel all around their town, spending a few hours with each person. We took the time to organize and go out and find them door to door. In fact, the organizing you do around workers like that is very much like community organizing—you find them one by one at their homes or in the home of a client, rather than at a factory where they're all there together. They're all spread around, but you organize them and what a powerful workforce that has been for us. Powerful because they are very pro-union, powerful because they are majority people of color, majority women, and many of them are immigrants—they understand all the issues that are at stake. They have a very strong political consciousness, they volunteer, and they give generously—90 percent sign up for the union's voluntary political contributions. They give $10.00 per paycheck, many of them, and these are people who were working 12 hours a week when they started with us at minimum wage.

And the community connection is an important part of organizing these workers, because they go in and out of these jobs. One week they're working for Medicaid and the next week they don't have a job or they're working at McDonalds or they're working at a laundromat, but they want to stay involved with the effort during that time so we had to create an SEIU community action body for people who are out of bargaining units temporarily but can still be part of the union as political activists. We have 18,000 of those members in addition to our 100,000 worker members. That's very important because it's a way to open the labor movement up so that people can join the effort who aren't in a union at the moment.

ST: I think the rise of the gig economy is another big issue. People think ride share is so wonderful, but what if you own a taxi medallion? They used to be like a mortgage—you'd spend $300,000 for a medallion and then you would go to work and the work had guidelines and standards. If you're a taxi driver, for instance, your car has to be maintained and so on. I'm not saying there aren't standards currently at the ride-share companies, but down the road those standards tend to slip away, and then who has the oversight? And there are no

pensions—you just get what you make driving that day. There are all kinds of companies doing things like that where there are no benefits and there's no structure. So what do we do for healthcare when we have a whole system in which our healthcare is predicated on our employment?

Q: What about workers of color and women workers who are coming into unions or may be having difficulty getting into unions? Do you have any thoughts on that changing membership of unions and what that looks like for leadership as well?

HG: When I started ten years ago the membership was majority people of color and majority women. Since I've been here in these ten years, our *leadership* is now majority women and people of color. Our national president Mary Kay Henry is one of the first—maybe *the* first—LGBT president of a union, a two-million-member national union. And then here locally we have several leaders who are women and people of color. These are people who've come up through the ranks and really earned their leadership. They're the people I answer to. I serve at the pleasure and under the decisions of these leaders. This is very important to us, but it's been a process, and our staff is changing too. My deputy director is Mexican American, for example, and he came up through the union movement—his father was a factory worker as a Mexican immigrant in Wisconsin. It's a process of change but it's one that we really embrace.

Q: Any final thoughts?

HG: For me the labor movement is the most important work I could be doing. It's what built our shared prosperity here and in Europe and in other places around the world. Thomas Piketty put it really well, I thought, when he said that in all of human history there have really only been two generations (and only in the countries that had strong labor movements during industrialization) where it was more important what you did for work than who you married or who you inherited money from—and that was my parents' generation and my generation. That was not true for thousands of years before that and it is no longer true today. We need to really hurry up and take that back, because that was a beautiful time—a time when it matters more what you do for work in your life than who you married or who you're the child of.

"Unions are typically seen as having 'two faces.' …The worker-voice face is more likely to be consistently positive. It's intuitive to see the problem of eliciting employee preferences as a collective-action problem and unions as a solution. It is the monopoly face that runs the greater risk of being a cost."

Adam Ozimek is a senior economist at Moody's Analytics. This interview was conducted on March 30, 2018, and has been lightly edited.

Q: How would you define worker voice?

A: Worker voice is how employees communicate their preferences to their employers. This can be information about work rules, safety, compensation, management, and other aspects of the job. Compared to, say, the market for a product like books where once the purchase is done the relationship is over, the market for labor involves ongoing and evolving relationships. So worker voice is one way to communicate to the employer information about how that relationship is evolving.

Q: Do you see unions having a role in worker voice and, if so, what is that role?

A: Unions are typically seen as having "two faces." One face is monopoly, or unions' ability to set workers' wages above the competitive market price. The other is worker voice, or the ways in which unions can help communicate to employers the aggregate preferences of workers. In the absence of unions or some other mechanism for worker voice, employers only find out about worker preferences when workers quit or when some workers choose to voluntarily speak up. In contrast, unions can, in theory, communicate preferences on behalf of all workers rather than just the subset that quit or speak up.

Q: What would you consider the costs and benefits of the traditional union model?

A: I think the "two faces of unions" framework is useful here. The worker-voice face is more likely to be consistently positive. It's intuitive to see the problem of eliciting employee preferences as a collective-action problem and unions as a solution. It is the monopoly face that runs the greater risk of being a cost. When unions push for higher-than-market-level wages from firms for workers, it can reduce profit and the incentive for companies to invest and expand. This can reduce aggregate employment and growth in the economy. However, it's important to recognize that the monopoly face is not always inefficient, such as in the case where employers have what's known as monopsony power. Essentially the reverse of a monopoly, monopsony is when one large buyer controls the market for sellers—for example, when there is only one large hospital in a rural area that employs almost all the nurses—and in that kind of situation the monopoly face of unions can result in more efficient wages and employment levels. With that said, evidence that unionization reduces employment growth on average suggests that at least in the current model of unions in the U.S., employment-reducing costs outweigh whatever employment-increasing gains there are on average.

Q: Why have unions declined in membership and influence so dramatically in the past few decades, and do you see a role for traditional unions in the modern economy?

A: The popular perception is that it has become harder to organize unions and this is what has caused the decline in unionism. But in reality, the primary driver is that unionized firms grow slower than nonunionized firms. This by itself should cast significant doubt on the idea that whatever offsetting monopsony, worker voice, and productivity-increasing benefits unions provide outweigh the costs. Anecdotally, at least, it is easy to look around and find examples of firms that have plausible monopsony power and where unionization is warranted. As I mentioned, dominant local hospital systems are one obvious example.

Q: How do you think unions need to evolve or adjust to better serve modern workers' and businesses' needs?

A: I think there is a greater role that unions could play in worker voice, to help communicate worker preferences not just within firms but within industries. There are also a variety of services that workers could utilize that would be well provided by unions, including information about job opportunities, training, and regional and firm differences in pay levels. However, labor relationships in the U.S. can be adversarial, and firms worry, rightly I think, about unions' forcing them to pay above-market wages. So, I think it would be difficult for unions in their traditional form to provide these greater levels of services for workers under current laws and in light of adversarial labor relations. One alternative avenue to explore, then, would be allowing representation for workers by groups that are not involved in bargaining but could provide these other services to workers, potentially requiring benefiting workers to pay mandatory dues in order to do so.

"With the union, I wasn't necessarily in it for the economic gain. That's a bonus, but for me it was really about the legislative side of it. I'm looking for us to find power within legislative action, change, and an opportunity to talk at the table. The union is great for dealing with regulations before they even come up, protecting the resource, and keeping us from being overregulated and pushed out of the industry. In those roles, it's vital to me." – Riley Poole

THE MAINE LOBSTERING UNION (INTERNATIONAL ASSOCIATION OF MACHINISTS LOCAL 207) is a union of over 500 lobstermen along the Maine coast. Local 207 also runs a cooperative that buys its product from union lobstermen and sells retail and wholesale to consumers.

Frank Thompson is the owner and operator of Fox Island Lobster Company in Vinalhaven and a union member. **Bob Jackomino** is a captain and lobsterman in Vinalhaven and a union member. **Riley Poole** is a captain and lobsterman in Vinalhaven and a union member. **Justin Grant** is a lobsterman in North Haven and a union member. **Hayley Bryant** is a lobster hauler on Vinalhaven. **David Sullivan** is the grand lodge representative for IAM District 4 and oversees Local 207. **Joel Pitcher** is an organizer for IAM District 4 working directly with Local 207. These interviews were conducted on February 20 and 21, 2018, and have been lightly edited.

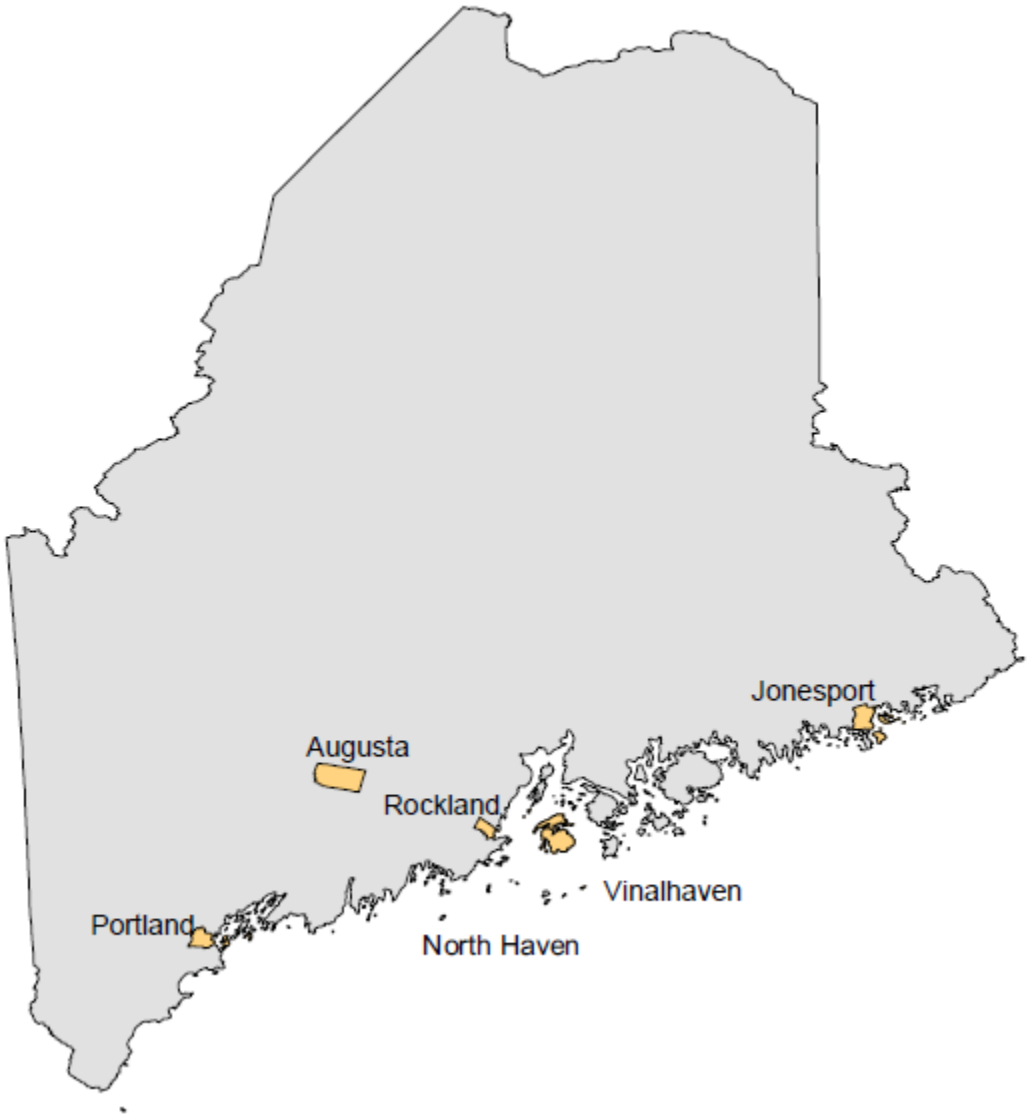
Q: It seems like lobstering has a long heritage and great importance in these coastal communities in Maine. Why do people usually take up lobstering jobs here? Does it tend to be a family business?

FRANK THOMPSON: Four generations of my family have worked in the lobster business. I've been in the business myself for 52 years.

RILEY POOLE: I'm fourth generation and I've been doing this since I was about 11, so I've been in the industry for about 23 years. It's been the family business. When you're in a lobstering family you're kind of forced into

it, but ultimately it's a great job. You're working very hard, and you get to be out on the boat with your father, and sometimes your grandfather and your brothers and your uncles, so it's been a good thing for me.

MAINE



BOB JACKOMINO: I've lived out here on Vinalhaven for just over 20 years now. I'm originally from Michigan. My mother was born and raised out here, so that's what brought me back here after I got out of the military. I've got a lot of family on the island here in the industry. A lot of my cousins and uncles are fishermen.

HAYLEY BRYANT: I'm from Vinalhaven and my dad works on boats as a sternman here and there but we're not really into the fishing industry as a family. I haven't worked a full season yet because I've just been working in between going back and forth from school. This is my first full-time year hauling on the boat with Frank. I'm studying to be a teacher but right now I'm taking some time off so I can make some money. I enjoy the job on the lobster boat, but this work is mostly something I'm doing to help me get by and pay for school.

JUSTIN GRANT: I have family on both of the islands here. I've lived on North Haven my entire life and went to school on Vinalhaven, so I have close ties to both communities. My uncles are both lobstermen. I grew up lobstering and loved getting to be on their boats with them.

Q: What is the workday like, and is the work seasonal?

FT: We fish year-round and the only thing that would keep us off the water would be gale wind warnings.

HB: I usually get up around 2:30 or 3:30 a.m., come down here to the dock, and get on the boat and get the bait ready. We go out on the water by about 4:30 a.m. Some days are longer than others. We definitely go out more in the summer and the fall and in the winter we go out as we can, but the wind tends to be a lot more aggressive in winter here.

RP: Typically I go out, fish all day, come in with my catch to the dock, sell that catch for the day, bait up for the next day, and then just repeat the process. It differs depending on the time of year how much you're going out and how much you catch. At the height of the season I would say my typical catch is maybe 800 to 1,000 pounds on a good day, but it's all seasonally dependent across spring, summer, and fall. On my boat I fish about eight months of the year and then I take my traps up for the winter.

HB: Being a woman out here among a lot of men, it's a pretty different experience. I think a lot of lobstermen assume that because I'm a woman I'm a little bit weaker than the men in the industry and that I'm not capable of doing the job. But I prove them wrong—I can definitely do the job. It doesn't matter if you're male or female if you can do the work.

JG: I get up early, haul as many traps as I can get in, and worry about the price every day. I'm always worried about what I'll get paid for my catch and how much things cost, and getting home to my family.

Q: Why did the union start up and how did the Machinists get involved?

JOEL PITCHER: The Machinists Union (IAM) got involved in this organizing effort at its roots from one phone call that was made to District Lodge 4 from Vinalhaven. Magnus Lane, a local sternman out here, was frustrated with the lobster price being down as far as it was in 2012 and with the industry in general. There

was a huge sense of frustration across many fishing communities up and down the coast. Magnus had a brother who was a welder at Bath Ironworks—the employees there are represented by the IAM Local 6, which is part of District Lodge 4—and Magnus was having a conversation with his brother about all of those frustrations, and his brother made the suggestion to call District Lodge 4 and see if the IAM could maybe lend a hand.

DAVID SULLIVAN: We knew we had some political clout and we could do a lot on the legislative side, but the day-to-day stuff of lobstering, we had to actually get educated on that. It's a pretty complicated and very highly regulated industry, so we had to learn all of those regulations, too. To start things up, we brought nine lobstermen from Vinalhaven down to IAM's William W. Winpisinger Education Center in Maryland, and in the process of talking with them we learned as much from them as they did from us.

RP: I was one of the original nine lobstermen that went to Maryland to formulate how we were going to organize and get together, what our plans were, what we wanted to accomplish and all that. And really when we were putting that together, we had no idea if we could make it happen or what it would look like if we did, so to see it now five or six years later, it's quite amazing what we've accomplished. We've gotten a lot done.

DS: At our first big organizing meeting in Maine we explained who we were and what we could offer, and the fishermen asked a lot of questions, but it was actually one of their wives that came out and said, hey, you guys have an opportunity to come together—why don't you guys jump on it and do this? She pointed out that the folks in the community were raising their children there only to send them off to college and tell them to go and make a living somewhere else. She said, we want to see our kids and grandkids grow up, and we want them to stay here in Maine and continue the tradition that's been here for five or six generations in some families. At IAM, we're about community, so that's kind of an issue that we could dig in on, and that's what we did.

Q: Is it more difficult to form a union of independent lobstermen than it would be to form a union in a more traditional workplace environment?

DS: We weren't sure what our role was going to be in the beginning. Typically we have a contract with a single employer or contractor and we establish a collective-bargaining agreement with them. Here it was a little different because the lobstermen are all independent boat owners and contractors.

JP: In a more traditional style of organizing drive, we'd go to a place of employment where all the employees work in one facility certain hours of the day so you've got everybody in one place. It's not necessarily a captive audience, but the centrality of the whole thing makes that communication piece easier. In the case of the lobstermen, we had to do a lot of planning ahead of time, make a ton of phone calls, and just put in a lot of miles to literally meet them where they are. Communicating with membership is huge but it's also very challenging—I mean, we've been out here for two days now and you can't get a text message—you have to be somewhere where there's WiFi to communicate electronically.

Q: What are lobstermen most concerned about now that affects their industry and their livelihoods?

FT: I'm most concerned about the environmental rules and other regulations that always seem to be changing. But with the union, we've got people in place to tell us what is going on and handle it before it even becomes an issue so that we can just go do our job.

RP: I worry about what we're doing to the environment and what impact that has on our industry, because that's something we might not be able to change or adjust to quickly enough. Without more evidence, more data, more people listening, and more people taking that environmental threat seriously, we don't know what's going to happen. With the current political dynamic I'm extremely worried about the environmental issues. No one's really talking about the environment.

BJ: We have a great lobster conservation program in Maine with the strictest rules on the East Coast. For example, we conserve lobsters with what we call a "v-notch" system. If we pull up an egg-bearing female lobster, we use a tool to punch a small "v" on her tail and throw her back in the water to allow the eggs to hatch and ensure that female can keep bearing more eggs for a while. If any other Maine fisherman pulls up that same lobster later on and she still has the "v" on her tail, even if she doesn't have eggs on her at that moment, they have to throw her back too, according to our rules. But lobsters travel, and we get fishermen from other states and Canada who come in here and we all fish the same waters. They are allowed to take almost everything they catch. I just don't think it's too fair that we have to throw back lobsters that other people right there can take, and it affects the conservation we are trying to do when other fishermen take them.

JG: I've been worrying about the overall unity of the industry, and about our future and what it holds for our children. The biggest thing that bothers me is that we do all this work and we're not getting paid what we should. Without the union behind us and a unified voice, it's hard to get anything accomplished.

Q: So why have lobstermen joined the union?

FT: I've been involved since day one, working with David and Joel to get the union set up. Joel came and talked to me years ago and asked me if I wanted to be involved, and I said if it was going to be set up as a co-op, then yes, I would—as long as it would benefit the communities.

RP: Personally, with the union, I wasn't necessarily in it for the economic gain. That's a bonus, but for me it was really about the legislative side of it. I'm looking for us to find power within legislative action, change, and an opportunity to talk at the table. The union is great for dealing with regulations before they even come up, protecting the resource, and keeping us from being overregulated and pushed out of the industry. In those roles, it's vital to me.

BJ: The union dues aren't too bad—when you're actively fishing it's only $67.50 or something like that a month, and if you're not fishing, it's only $2.50 a month. Who can't afford that? And for the representation that we get in Augusta, it's worth it. We don't have to worry about taking days off and losing money going up

there. You take one day off to go up to try to represent yourself in Augusta—there's twice your union dues for the year.

JG: One of the biggest reasons I decided to join the union was that I was so impressed with Kim Tucker, the lawyer who represents the union at the statehouse, and how well she was debating with the legislators. She's a fighter and it really gave me hope knowing that that voice is behind us in Augusta. I don't know that much about all the inner workings of the laws and what goes on up there, so to have someone who does on our side who is important and impressive definitely made me more committed to joining the union.

Q: How do the lobstermen benefit from having representation at the state capitol in Augusta? What kinds of issues are you focused on?

BJ: When I started out, before the limits were set, you could fish as much as you wanted. Then they came up with the trap tagging system and knocked it down to 800 traps per boat, and we've been on that for a long time. The trap tags started out costing us 10 cents apiece and they weren't supposed to go up, but now we're paying 50 cents apiece for them, and pretty soon I'm sure we'll be paying a dollar apiece. There are concerns about whales getting tangled in our ropes so there are regulations around that, but they're constantly changing them and every time they do we've got to buy new rope. So those are the kinds of things that make it tougher. Fishermen have got to put a lot more money back in their business just to stay on top of the regulations and stay legal, and you've got to stay legal or you lose your license. So that's one good thing about the union. They're up there representing us on those types of cases to make sure that we get a fair deal.

JP: One of the biggest issues that we pushed back on early on in the process was the dragging of lobsters. Dragging for lobsters would negatively impact Maine's conservation program and harm larger lobsters. But there was a push from the dragging fleet in Portland to be allowed to drag up to 500 lobsters here in the state of Maine, which at the time was illegal and is currently still illegal because of the effort that the lobstermen put together to fight that. That was a huge one at the time because it helped build that power of the union and it helped them all realize that they had influence together.

FT: When I go talk with other lobstermen about the union, they want to know why I joined and why I helped to start it up in the first place. I joined primarily because with the union, we have great lawyers who work hard on our behalf, which has improved the contact we have with leaders in Augusta and up and down the coast. The union is really informative and helps us a lot. Right now we are at a turning point for the industry with rules and regulations on whales and rope and you name it, so the representation the union provides for us in those situations is really valuable. It takes a lot of pressure off your mind when you know the union will handle it so you can just go out to haul and concentrate on where you're setting your gear and fishing.

JP: There was a proactive piece of legislation that we brought up as a union to protect lobstermen who were also members of the military and serving overseas. The law at the time said that you had to buy your license every year or you would lose it, and since this is a closed fishery here in the state of Maine, if you lose your license you have to go onto a waiting list. In some areas that waiting list is 10 or more years long. If you forgot to buy your license or couldn't do so because you were overseas serving on active duty, you were just out of

luck. So we brought a piece of legislation that fixed that, and there are exemptions around licensing now for servicemembers who are on active duty. A lot of our union lobstermen here have servicemembers in their families or have served in the military themselves, and they identified it as something that needed to be changed. They got involved, perfected that process, and they were successful.

DS: Augusta is where it happens. Whether you like politics or not your life is controlled by the statehouse in any state. We as union representatives can go up there and bring lawyers in and speak about the proposed legislation, and we are keyed into a lot of different issues in Augusta because we are with IAM. But it's much more powerful to have a fifth-generation fisherman look a legislator in the eye and say, this is important to me and my family and my heritage to be able to have rights to the water and to continue the traditions that have been part of my family for the last 100 years.

The tough part is that when they do go to the statehouse, they lose a day's pay. When there are four or five different bills that affect your way of life and they're each being debated on a different day, it gets very expensive for them. And if you also have sternmen that work for you, the day you don't go fishing they don't make money either, so the ripple effect can be pretty bad. But at the same time, if you don't make it out to Augusta and make your voice heard at the statehouse, you're not going to be fishing in the future anyway.

RP: I think it's worth it to take a day to go up to Augusta with the union, but it takes a lot of time away from my work for me to go to the statehouse. But that's actually why getting the union started and bringing our other lobstering brothers and sisters together is helpful. They will take the time off and go when I can't, and I'll take the time off when they can't. Having other people around to rely on in that way is a lot better and a lot more effective. You can't do it alone, we know that now. All of us standing together at the statehouse means a lot more than just two or three people yelling at the legislature.

Q: What other benefits have the lobstermen seen since the union and cooperative formed?

DS: When we talked at the IAM education center when the union started up, we came up with a ten-year plan to eventually buy a wholesale business and actually have union members both catching the lobster *and* selling the lobster. The way it works usually is that there are all these people in the middle making money off the lobstermen's work, and the lobstermen never saw any value from that. It took us about two years working with banks and attorneys and getting the deal where it needed to be, and ultimately we purchased the wholesale branch of Trenton Bridge lobster pound here in Maine. That was a big undertaking for us.

Now we have employees handling the trucks and working in the tank room, and now the process is all under the union's own roof. The fishermen catch their lobster, bring them in and weigh them up, and load them onto our trucks. Then the lobsters go to our facility, we go through them, and we ship them out. So the product doesn't change hands between businesses, it's only handled by us. Sustainability and knowing where their seafood comes from and how it's handled is a big deal to consumers now. This is a direct line from the fishermen right to the consumer.

FT: The union has benefited my company because now we've got more boats selling to us, more poundage of lobster hauled and bought, and more people involved. It's better for the community and it's built up our community a lot in many different ways, because probably three-quarters of the economy in this community on Vinalhaven is reliant on the lobster industry.

RP: Getting lobstermen together is extremely difficult. We're all self-employed, we can all be extremely self-important, and we tend to resist coming together on things. So this union bringing us together and showing us how to work collaboratively without bickering too much—it was really quite amazing. It was something that we had to do in order to survive.

DS: It was also important to us when we started this that we try to keep it union-based all the way through. So for our funding, we went to the Bank of Labor which was founded by the Boilermakers union. The IAM also holds a note on some of the money here. And then for retail order deliveries we decided to go with UPS drivers who are members of the Teamsters. So the lobster we sell is caught by a union fisherman, it's brought to a union dock, it's brought to the union pound, it's put in boxes and loaded onto a UPS truck, and it's brought to your house by a union driver. So we were pretty proud of that too—it was a great accomplishment to set up our system so that from the ocean to your door, it's all 100% union.

Q: Why are the union and cooperative important to the future of the industry and these communities, and what outcomes are the union lobstermen still hoping to achieve?

JG: In ten years I want to see us owning our own processor so that we don't ship all of our lobsters out of state and all of the money ends up somewhere else. If we could buy enough lobsters we could control some of the market, or at least our own fate in the price, with a processor of our own to do the processing right here in the state and have all that money come back here to the communities. These communities are economically based on fishing up and down the coast, not just on the islands, and if that money could stay in our communities then the wealth and health of our communities will be sustained far into the future, rather than going to Canada or ending up in someone else's pocket.

FT: Lobstermen only retire when they die, so my feeling is that the union is going to benefit me somewhat at this point. But the kids for generations to come, they're going to be able to build this into something big, and I think it's going to be great.