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THE ONGOING AND DEEPENING CRISIS OF TRADE UNIONS IN THE UNITED STATES

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ABSTRACT
In the United States, only a mere 10.7 percent of workers belong to a union, and a great chunk of them are in the shrinking public sector. That's almost half the rate in 1983. Falling union density means a tremendous loss for workers and has given rise to greater social inequality. Since Republican Party took control both in the Congress and in the many statehouses in 2010, unions have been facing an unprecedented assault advancing to strip their collective bargaining rights and/or membership. This article aims to present an empirical picture of the severe social, organisational and financial aspects of the crisis facing trade unions in the US.

Keywords: Trade unions, union density, United States, social and economic inequality, industrial relations, trade unions in OECD countries

JEL Classification:

AMERİKA BİRLEŞİK DEVLETLERİ'NDE SENDİKALARIN SÜRMEKTE VE DERİNLEŞMEKTE OLAN KRİZİ

ÖZET
Amerika Birleşik Devletleri'nde işçilerin yalnızca yüzde 10,7'si bir sendikaya üye ve bu sendikaların büyük bir kısmı daralmakta olan kamu sektöründe faaliyet göstermektedir. Bu oran, 1983'teki oranın neredeyse yarısı kadardır. Sendikalaşma oranındaki düşüş işçiler için muazzam bir kayıp anlamına gelmekte ve toplumsal eşitsizliğin artmasına yol açmaktadır. Cumhuriyetçi Parti 2010 yılında hem Kongre'de hem de birçok eyalet senatosunda kontrolü ele geçirdiğinden bu yana, sendikalar ellerinden toplu pazarlık hakları ve/veya üye tabanlarını almaya yönelik eşi görülmemiş bir saldırıya maruz kalmaktadırlar. Bu makale, ABD'deki sendikaların yaşadıkları ağır krizin toplumsal, örgütsel ve mali boyutlarının ampirik bir tablosunu sunmayı amaçlıyor.

Anahtar kelimeler: Sendikalar, sendikalaşma oranı, Amerika Birleşik Devletleri, toplumsal ve ekonomik eşitsizlik, endüstriyel ilişkiler, OECD ülkelerinde sendikalar

1. INTRODUCTION

Notwithstanding with the fact that trade unions in the United States represent around 14.6 million workers and remain a major force in voter-registration, education and mobilisation[1], they are really in bad shape and it will not be an exaggeration to say that today, they are in fact, suffering from an existential crisis. Unsurprisingly, the acute crisis of the American trade union movement is now a prevailing concern not only in the United States but also, among particularly, trade unionists and labour economists all around the world.

The main symptom of this long-term crisis can be found, first and foremost, in the dramatic decrease of trade union membership and trade union density, which has taken the form of a steady de-unionisation process roughly over the last six decades. There are some other observable and less observable critical indicators that account for the concern, including the simultaneous decline of strike activity and collective bargaining coverage as well as the question of their efficiency, loss of political clout and organisational capacity, erosion of the level of public trust in trade unions and obsolescence of their discourse.

While looking at these indicators, we will also make some comparisons with other OECD countries, where the process of collective representation of workers and collective bargaining have been facing a series of major challenges over the last three decades.[2] As the decline of trade unions in recent decades is a global phenomenon of the early 21st century, such comparisons will allow us to put our findings regarding the unions in the US into a broader context as well as to draw more comprehensive conclusions about the crisis of the US trade union movement.

This paper aims to paint a detailed and predominantly an empirical picture of the severe social, organisational and financial aspects of the crisis facing trade unions in the US.

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[1] For instance, the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), the largest federation/national centre of trade unions in the United States, donated around USA$16 million to Democratic Party election campaigns in 2016.

[2] Even though it is possible to get an overall (albeit fairly rough) idea about general global trends from the data regarding union density data provided by the International Labour Organisation (ILO) (see http://www.ilo.org/global/docs/WCMS_408983/lang--en/index.htm), there is a widespread lack of up-to-date, detailed, comprehensive and comparable information on the evolving situation of independent trade unions at the global level, particularly with regards to the first three emerging economies that are expected the dominate the world economy over the next three decades; namely, China, India and Indonesia. (See a recent report on increasing importance of the emerging economies by the PwC, "The Long View: How Will the Global Economic Order Change by 2050?", February p. 3. www.pwc.com/gx/en/world-2050/assests/pwc-the-world-in-2050-full-report-feb-2017.pdf).

For example, official data regarding trade union density for India and Indonesia, two major emerging economies where independent trade unions exist, are calculated only for the formal economy, despite the fact that both countries have very large informal economic structures operating outside the government regulations and oversight.

In the case of India, official union density is around 40 percent. However, when the informal economy is included, this figure boils down to 3-4 percent of the total workforce. In the same vein, in Indonesia the number and percentage of informal workers are also mind-blowingly high: "Only 30m people out of a labour force of 118m are registered with the tax office and only 10m of them file a tax return regularly." (Indonesia's Tax Amnesty – A Small Price to Pay, *The Economist*, 1 April 2017, p. 72).

Moreover, in the People's Republic of China, there are no independent trade unions, as the All-China Federation of Trade Unions (ACFTU) with its 230 million members, acts like a transmission belt for the governing Chinese Communist Party with no relative autonomy.

Therefore, we prefer to limit our comparative analysis to other OECD countries where a rich set of reliable surveys and administrative data is available.

The underlying reasons for this crisis and a critical assessment of trade union strategies to tackle it will be discussed in two separate and more theoretical papers.

Finally, the reader should be aware of the fact that the preceding views and analysis are offered not by an "outsider" with no roots in the union movement itself, but by one who has spent more than 15 years in the movement both at the national and global levels as an organiser, collective agreement negotiator as well as external relations and education officer.

2. TRADE UNIONS MATTER PARTICULARLY AT A TIME WHEN ECONOMIC AND SOCIAL INEQUALITY WIDENS

Edward Smith, a trade unionist and the president and chief executive officer of Ullico Inc., the only labour-owned insurance and investment-company in the US, makes the following observation in an article in which he discusses the importance and relevance of trade unions in his country: When I travel across the country, I often hear from business leaders, politicians and even union members who say unions don't matter anymore.

They say there was a time and place for unions – but that has passed.[3] In his seminal book, *Why Unions Matter*[4], a pro-union American academic Michael D. Yates argues against this widely held view by pointing out that unions matter as they are the one institution that had dramatically improved the lives of the majority of people and have the potential to radically transform both the economic and political landscape, making them both more democratic and egalitarian. In the preface to the second edition of his book, Yates rightfully maintains that union members enjoy, significant advantages over nonunion workers: higher wages, more and better benefits, better access to many kinds of leaves of absence, a democratic voice in their workplaces, and a better understanding of their political and legal rights. What is more, unions benefitted nonunion workers through their political agitations and through what is called the "spillover" effect—nonunion employers will treat their employees better if only to avoid unionization.[5] Another American economist, Barry T. Hirsch who examined the wage differential between union and non-union workers arrives at similar conclusions with Yates.[6]

As it was pointed out in the above quote from Yates, the decline of union membership does not exclusively affect union members and the weakness of unions is expressed throughout the workforce. According to economist Juliet Schor, due to the long-standing decline of unions, workers in the US work longer with fewer benefits than comparable workers elsewhere in the rich industrialised world.[7]

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[3] Edward M. Smith, "Why Unions Matter More Than Ever", 9 March 2012, *Politico.* www.politico.com/story/2012/09/why-unions-matter-more-than-ever-080571, last time accessed on 19 February 2017.

[4] Michael D. Yates, *Why Unions Matter*, (New York: Monthly Review Press, May 2009).

[5] Ibid., p. 11.

[6] Barry T. Hirsch, "Reconsidering Union Wage Effects: Surveying New Evidence on an Old Topic," *Journal of Labor Research*, June 2004, Volume 25, Issue 2, pp. 233–266.
In the same vein, according to the latest data issued by the US Bureau of Labor Statistics (BLS), as of 2016, unionised workers earn about USA$200 more per week on average than non-union workers, and enjoy better retirement, pay and health insurance. Moreover, these compensation premiums hold up even after controlling for factors like age and education.

[7] Juliet B. Shor, *The Overworked American: The Unexpected Decline of Leisure*, (New York: Basic Books, March 1993).

There are other studies which have shown that trade unions also help to raise pay for non-union workers by setting a higher prevailing wage.[8] In the words of a prominent academic and the former US Treasury Secretary Larry Summers, "stronger unions are not just good for their members, they are good for [the] … country and [the] … descendants."[9]

Moreover, in a guest essay he wrote for *The Economist* during the last days of his presidency, the then outgoing US President Barack Obama linked growing economic inequality in the US economy to the weakening of trade unions and invited them explicitly to "play a critical role" in the fight against inequality[10], albeit with an eye-catching 'flexibility' caveat[11]:

In the future, we need to be even more aggressive in enacting measures to reverse the decades-long rise in inequality. Unions should play a critical role. They help workers get a bigger slice of the pie but they need to be flexible enough to adapt to global competition.[12]

According to IMF's "United States Staff Report for the 2016 Article IV Consultation-Staff Report", in the US economy, the labour share of income has seen a secular decline since early 1970s, which began to accelerate in 2000 as shown in *Figure 1*. The report mentions "a generalized decline in unionization rates," as one of the explanations for the decline in the labour share, particularly, within manufacturing and industry.[13]

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[8] Eric Liu, Viewpoint: "The Decline of Unions Is Your Problem Too - The Weakness of Labor Hurts All Employees in Every Sector", *Time*, 29 January 2013, http://ideas.time.com/2013/01/29/viewpoint-why-the-decline-of-unions-is-your-problem-too; David Card, Thomas Lemieux and W. Craig Riddell, "Unions and Wage Inequality", *Journal of Labor Research*, Volume 25, Number 4, pp. 519–59; Timothy Noah, "The United States of Inequality, Entry 6: The Great Divergence and the Death of Organized Labor", *Slate.com*, 12 September 2010, http://www.slate.com/articles/news_and_politics/the_great_divergence/features/2010/the_united_states_of_inequality/the_great_divergence_and_the_death_of_organized_labor.html

[9] Lawrence H. Summers, "Stronger Unions Must Be Part of the National Agenda", *Washington Post*, 11 September 2015, http://www.washingtonpost.com/news/wonkblog/wp/2015/09/11/larry-summers-stronger-unions-must-be-part-of-the-national-agenda

It is worth to note that in the US, amongst the world-known economists such pro-union views are voiced mainly by Keynesians such as Larry Summers, Paul Krugman, and Joseph Stiglitz or by slightly more radical economists like Dean Baker or James Galbraith.

Outside the mainstream, there are also a sizeable number of Marxist academics and authors focusing on issues related to trade unions, the vast majority of them adhering to some sort of a pro-union stance. For a totally opposite and explicitly hostile approach towards trade unions from a Marxist perspective see David North, *Marxism and the Trade Unions*, (Bankstown, NSW: Mehring Books, 1998).

[10] A report released by the Economic Policy Institute (EPI), in August 2016, finds that the decline of organised labour in the US has contributed significantly to wage stagnation and rising inequality. See, www.epi.org/publication/union-decline-lowers-wages-of-nonunion-workers-the-overlooked-reason-why-wages-are-struck-and-inequality-is-growing, last time accessed on 19 February 2017.

According to the EPI, for about three decades after the World War II, hourly wage increases for workers in non-supervisory roles kept pace with productivity increases: at 91.3 percent and 96.7 percent respectively. However, between 1973 and 2013, productivity increased by 74.4 percent and wages by only 9.2 percent. With wages adjusted for inflation, the average American worker made no more in 2013 than in 1973.

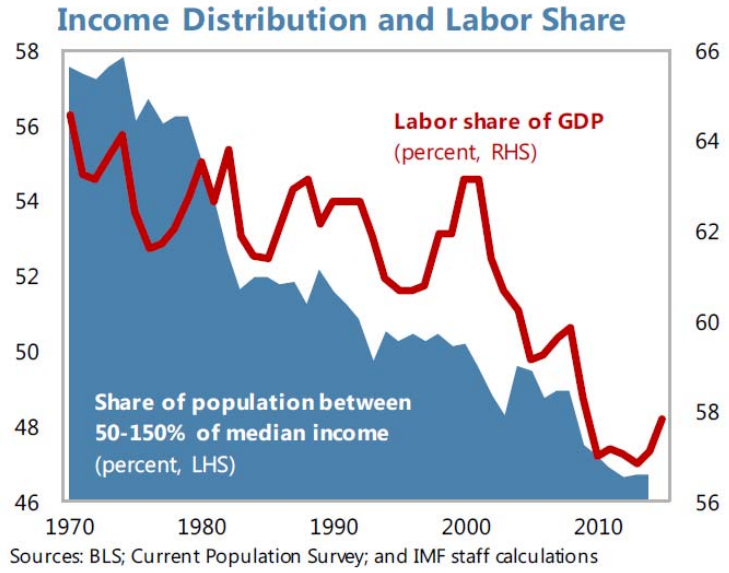
The EPI reports that from 1980 to 2013 the income of the top 1 percent of wage earners increased by 138 percent compared to 15 percent for the bottom 90 percent. For those at the lowest end of the wage scale, the situation was even worse. In those years, their hourly pay actually dropped by 5 percent.

[11] As a matter of fact, since the early 1980s, in the name of making US companies more competitive internationally, the unions made significant concessions to employers and these concessions have played an important role in reducing labour share of GDP as well as their credibility in the eyes of workers.

[12] Barack Obama, "The Way Ahead", *The Economist*, 8 October 2016, pp. 24-26

[13] IMF, *United States: 2016 Article IV Consultation-Staff Report*, p. 18, http://www.imf.org/~/media/Websites/IMF/imported-full-text-pdf/external/pubs/ft/scr/2016/_cr16226.ashx

Figure 1



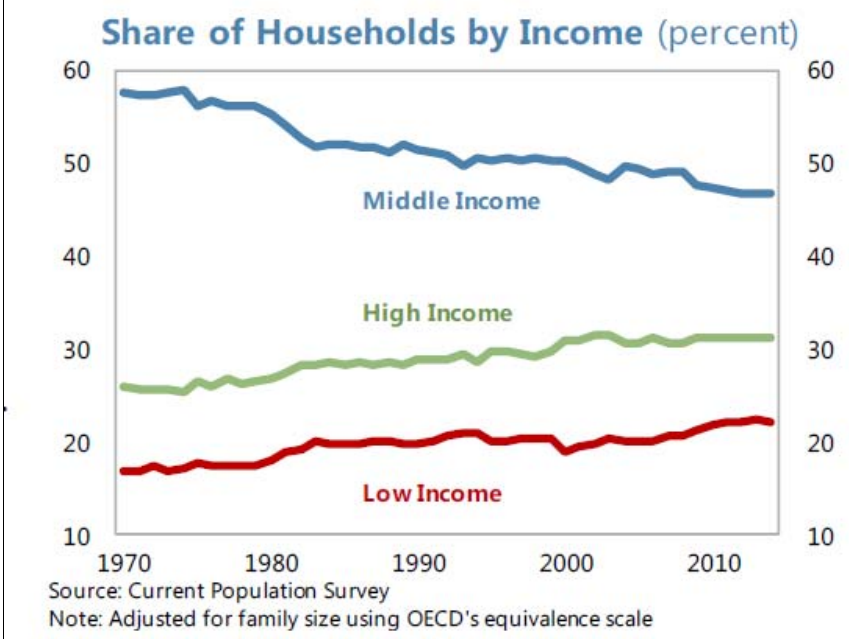
Source: International Monetary Fund

In the same report, the IMF also points out to a shrinking of the share of the population in middle-income jobs and a broader polarisation of the income distribution: Since the mid-1980s … the earnings of workers remaining in the middle and lower segments of the skill distribution have stagnated or fallen. A direct consequence has been the "hollowing out" of the income distribution. The share of households earning between 50 and 150 percent of the median income has fallen from 58 to 46 percent over the past 45 years. An even more pronounced but connected trend has taken place in the polarization of the wealth distribution.[14]

A previous IMF report issued in 2015 also attributes the decline of labour's share of GDP to de-unionisation, noting the trend "necessarily increases the income share of corporate managers' pay and shareholder returns … Moreover, weaker unions can reduce workers' influence on corporate decisions that benefit top earners, such as the size and structure of top executive compensation." Michael Hiltzik, "IMF Agrees: Decline of Union Power Has Increased Income Inequality" *Los Angeles Times*, 25 March 2015, http://www.latimes.com/business/hiltzik/la-fi-mh-imf-agrees-loss-of-union-power-20150325-column.html For the relationship between the weakening of unions and rising income inequality also, see, Emin Dinlersoz and Jeremy Greenwood, "The rise and fall of unions in the United States", *Journal of Monetary Economics*, 83 (2016), pp. 129-146.

[14] Ibid., p. 21.

Figure 2



Source: International Monetary Fund

Moreover, in a press release to announce the conclusion of its *Article IV Consultation with US*, on 12 July 2016, the IMF gave a sobering warning:

… labor's share of income is around 5 percent lower today than it was 15 years ago, the middle class has shrunk to its smallest size in the last 30 years, the income and wealth distribution are increasingly polarized, and poverty has risen. If left unchecked, these forces will continue to drag down both potential and actual growth, diminish gains in living standards, and worsen poverty.[15]

In a nutshell, there is a strong case in favour of making a detailed analysis of the long-term crisis of trade unions operating in a country like the United States, which still sits on the top of the global pecking order of nations, despite its almost six-decade-long protracted decline[16].

[15] "IMF Executive Board Concludes Article IV Consultation with United States", Press Release No. 16/332, 12 July 2016, https://www.imf.org/en/News/Articles/2016/07/12/19/28/pr16332-IMF-Executive-Board-Concludes-Article-IV-Consultation-with-United-States, last time accessed on 27 February 2017.

[16] "With the exception of a few brief periods, America's contribution to the global economy has been falling. In 1960, U.S. GDP represented 40% of global GDP. By 2014, America's economics contribution had been cut in half." Mike Patton, "U.S. Role in Global Economy Declines Nearly 50%", *Forbes*, 29 February 2016, https://www.forbes.com/sites/mikepatton/2016/02/29/u-s-role-in-global-economy-declines-nearly-50/#4d0fddad5e9e, last time accessed on 27 February 2017. 20 years ago, the US GDP represented 20 percent of global GDP. As of 2016, it is in the third place behind China and India and contributing a mere 11 percent of the global GDP. For a summary of the place of the US economy in the global economy see IMF's World Economic Outlook Database: http://www.imf.org/external/pubs/ft/weo/2016/02/weodata/index.aspx. Also, see "The Long View: How Will the Global Economic Order Change by 2050?", PwC, February 2017, www.pwc.com/gx/en/world-2050/assests/pwc-the-world-in-2050-full-report-feb-2017.pdf

3. UNION MEMBERSHIP IS IN A STATE OF PERMANENT DECLINE

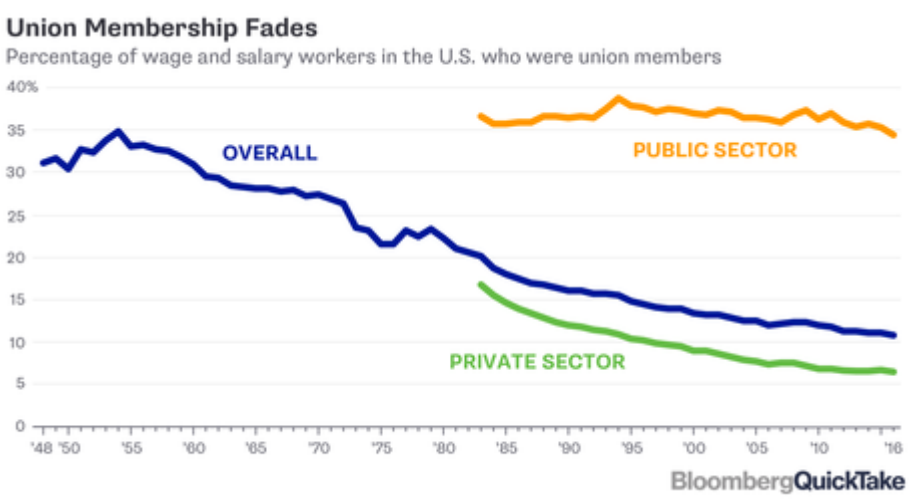
We will set off our analysis with two slightly different and closely interlinked sets of figures issued annually by the Bureau of Labor Statistics (BLS) - a unit of the United States Department of Labor[17] - that clearly point out a long-term and sharp decline in trade union strength in the US[18]. These two sets of figures provide reliable estimations regarding the overall union membership and the union density or the union membership rate, i.e. the percent of workers who are members of trade unions[19]. And roughly over the last 60 years, these figures get worse every time new ones are released.[20]

We take membership figures as our starting point, as
Membership is a key resource for trade unions. Trade unions differ, according to their traditions, in how closely they link representation to their membership base. Even so, membership numbers remain a crucial component of a union's organisational strength and a fundamental element for legitimacy and recognition. Whether trade unions should engage in closely reflecting affiliates' expectations or more broadly representing class interests, the capacity to achieve their objectives greatly depends on the ability to mobilise worker support. Membership is the most evident form of trade union support, and it usually is a precondition for more demanding involvement in union activities, such as engaging in representation roles and taking up executive positions.[21]

Since the mid-1950s, the trade union movement in the US has been losing strength with no respite in sight. However, this long-term tendency has now reached a critical breaking point as
… unions are weaker than at any time since the depths of the Great Depression in the early 1930s, before Franklin Roosevelt came to power.[22]
Figure 3 testifies to a steady erosion of union density beginning in 1953 and rapidly accelerating after the late 1970s.

[17] For more information regarding the Bureau of Labor Statistics see www.bls.gov/jobs/aboutbls.htm, last time accessed on 12 February 2017.
[18] The BLS obtains these figures from the Current Population Survey (CPS), which provides basic information on the country's labour force, employment and unemployment. The survey is conducted for the BLS by the US Census Bureau on a monthly basis from a national sample of about 60,000 households.
[19] The BLS calculates these figures since 1983, which means that this is the earliest year for which strictly comparable data are available. However, as the word "strictly" suggests, there are also union membership figures available stretching far back in time. And to be able to see the situation from a much longer-term perspective, we will make use of this historical data as well.
[20] Statistics for the pre-1983 period are taken from unionstats.com unless otherwise stated.
[21] "Trade Union Strategies to Recruit New Groups of Workers", European Foundation for the Improvement of Living and Working Conditions, 13 June 2010, p. 2, https://www.eurofound.europa.eu/sites/default/files/ef_files/docs/eiro/tn0901028s/tn0901028s.pdf, last time accessed on 14 February 2017.
[22] Harold Meyerson, *The State of the American Unions*, (Friedrich Ebert Stiftung Study Paper, 2012), p. 2, last time accessed on 14 February 2017.

Figure 3



Source: "U.S. Labor Unions", Bloomberg, https://www.bloomberg.com/quicktake/u-s-labor-unions

In terms of union membership rates, one can safely maintain that the future of trade unions in the US has never been bleaker than any time in the past six decades. As Harold Meyerson, a pro-union American journalist explained in a mordacious fashion:
For many Americans, the death of labor would doubtless seem the natural order of things, the dinosaur finally shuffling off to the graveyard. Unions have no presence in the hottest and hippest sectors of the economy, in high-tech, fashion, and finance. The public's image of labor is a memory of a memory that's anywhere from 50 to 100 years old—the Yiddish- and Italian--speaking seamstresses of the Lower East Side, the goons in On the Waterfront, and, for the historically sentient, George Meany puffing a cigar and damning the Vietnam peaceniks.[23]

Latest figures released on 26 January 2017 by the BLS regarding union membership in the US[24] revealed a new record low membership rates, showing that the long-term decline has been continuing unabated in both relative and absolute terms. According to the BLS's findings, in 2016, the union density was 10.7 percent, down 0.4 percentage point from 2015. The number of unionised workers was at 14.6 million in 2016[25], declined by 240,000 from 2015.

When comparing the union membership data between 2015 and 2016 one needs to keep in mind that the continued decline occurred under a supposedly union-friendly president and during a period of economic recovery, albeit at a relatively slow pace. By way of contrast, in 1983 (starting year for the BLS data), the union density was 20.1 percent, and the number of

[23] Harold Meyerson, "If Labor Dies, What's Next?" *The American Prospect*, 13 September 2012, http://prospect.org/article/if-labor-dies-whats-next, last time accessed on 18 February 2017.
[24] See www.bls.gov/news.release/pdf/union2.pdf, last time accessed on 12 February 2017.
[25] In 2016, there were 1.7 million workers with no union affiliation but whose jobs were covered by a collective bargaining agreement (CBA) negotiated by a trade union. Together with the union members (14.6 million), the total number of workers represented by a union was 16.3 million. Therefore, it is possible to come up with this simple formula: union representation > union members. Trade unions in the United States generally call these workers as "free-riders", i.e. workers who receive the benefits of union representation without paying a union due in return.

unionised workers was 17.7 million. This 9.4 percentage point loss in union density over a period of 33 years corresponds to a loss of staggering 46.8 percent decline rate. In other words, the current rate of almost one union worker for every ten employees compares with a one-in-five as late as 1983. Alternatively, had trade unions managed to maintain their 20.1 percent membership level today, they would have nearly 28 million members.

According to historical data union density in the United States reached its highest point of nearly one union worker-in-three (32.5 percent) in 1953. By some estimates, the union density has hit its lowest level in more than 100 years, which was attained by the old craft-dominated American Federation of Labor. In 1900, union membership was approximately 5.5 percent of the workforce. Over the next 10 years, organized labor began to grow, so much so that by 1915, union membership had increased to 10.9 percent. Moreover, from 1914 until 1920, union membership grew to 17.5 percent, an astonishing 88 percent increase.[26]

Table 1: Union Membership, 1950-2000[27]

Year	Total union membership (thousands)	As a percentage of the total civilian labour force
1950	14,294	23.0
1960	15,516	22.3
1970	20,990	25.4
1980	20,968	19.6
1990	16,740	13.5
2000	16,258	11.5

A more detailed look at the figures, industry by industry, shows that no important part of the US economy has relatively high concentrations of union membership anymore. Union density in retail trade, which is the largest and fastest growing sector of the economy, with 15.3 million workers employed, stands at 4.4 percent overall. In the construction industry, it stands at 14.7 percent, down from 28.0 percent in 1983. In durable goods manufacturing, unions represent 9.1 percent of the workforce, down from 20.6 in 1983. Compared over the same period (i.e. 1983-2016) union membership in transportation and warehousing declined from 49.9 percent to 25.2 percent, in the information industry from 45.2 percent to 9.3 percent. The roots of this pattern can be traced back to 1970s. Over the last four decades, old unionised industries have been in decline either in relative or in absolute terms (and sometimes it was both), while economic growth has occurred in mostly non-union industries.

Moreover, a closer look at union membership figures by industry and state reveals that unions haven't only been unsuccessful in organising key high-tech industries, such as computers, they have also failed in establishing a major presence in large parts of the country, including the South and many other states of the Southwest and upper-Midwest. Over half of the 14.6 million union members in the U.S. lived in just 7 states (California, 2.6 million; New York,

[26] Michael Schiavone, *Unions in Crisis? The Future of Organized Labor in America*, (Westport: Praeger Publishers, 2008), p. 9.
[27] Gary M. Walton and Hugh Rockoff, *History of the American Economy*, (Florence: South-Western, Twelfth Edition, 2014), p. 561.

1.9 million; Illinois, 0.8 million; Pennsylvania, 0.7 million and Michigan, New Jersey, and Ohio, 0.6 million each), though these states accounted for only about one-third of wage and salary employment nationally.[28] Unions' failure to organise the workplaces in the South has led to the creation of an alternative union-free economic model, which became a compelling alternative for employers by the 1970s. While more and more American businesses have relocated to the South, European manufacturers also have been attracted to this union-free economic model. As Meyerson asserted: It was not only American corporations that were moving into the South. European manufacturers such as Mercedes and Volkswagen opened plants in the South as well, receiving a higher profit margin from these non-union low-wage factories. The trend has become so pervasive that the Boston Consulting Group released a study last year [2011] arguing that European manufacturers are increasingly viewing America as a place to go for low-wage labor in a politically less volatile and risky land than those in East Asia.[29]

4. LACK OF ANY OTHER LEVERAGE FOR UNIONS IN THE US

These essential facts and figures regarding union membership, which constitute the unions' artillery power, so to speak, and thus a key starting point in looking at trade union strength as briefly explained above, are in fact, clear enough to speak for themselves. A comparison with OECD countries reveals that among 31 OECD countries reporting union membership rates in 2012[30], the US ranked 27th[31]. In 2015, across the OECD countries, average trade union density stand at 17 percent.[32]

However, we need to keep in mind that union membership is not the only indicator of trade union muscle and we should also look at the existence and impact of legislative channels that enable collectively agreed gains to be extended to larger sections of the workforce as much as possible. For instance, in France where trade union density is less than 8 percent[33], unions derive strength from

… the statutory powers they enjoy as joint managers, along with business representatives of the country's health and social-security system, and as employee representatives in the workplace. Under French law, elected union delegates represent all employees, union members or not, in firms with over 50 staff on both works councils and separate health-and-safety councils. These must be consulted regularly by bosses on a vast range of detailed

[28] "Economic News Release", Bureau of Labor Statistics, 26 January 2017, https://www.bls.gov/news.release/union2.nr0.htm

[29] Harold Meyerson, *The State of the American Unions*, (Friedrich Ebert Stiftung Study Paper, 2012), p. 5.

[30] For the years 2013, 2014, 2015 and 2016 the data is incomplete.

[31] See https://stats.oecd.org/Index.aspx?DataSetCode=UN_DEN

[32] "Trade union density varies considerably across OECD and accession countries, ranging from 4.5% in Estonia and about 6% in Costa Roca and Turkey, to about 65% in Sweden, Denmark and Finland and 92% in Iceland." Sandrine Cazes and Andrea Garnero, *Collective Bargaining and Workers' Voice in a Changing World of Work*, (Paris: OECD, 15 March 2017, p. 5. A closer inspection of the OECD report shows indicates that trends in trade union density vary substantially across OECD countries including the US. On the other hand, the same report points out that the overall trend among OECD countries is similar to that of the US: "On average across OECD countries, 17% of employees are currently members of a trade union, down from 30% in 1985." (Ibid., p. 5). Moreover, "On average across OECD countries, the share of workers covered by a collective agreement (at national, sectoral, firm or any other intermediate level) shrunk by almost a third, from 42% in 1985 to 30% in 2015." (Ibid, p. 5.)

[33] See OECD.Stat web page at https://stats.oecd.org/Index.aspx?DataSetCode=UN_DEN, last time accessed on 18 February 2017.

managerial decisions. This gives trade unions a daily say in the running of companies across the private sector, which accounts for the real strength of their voice.[34] In a similar vein, in Spain where union density is relatively low with 19 percent, support for unions is shown by a large number of votes they receive in works council elections. More importantly, in countries where multi-employer agreements – mainly sectoral and national – are negotiated, collective bargaining coverage[35] navigates at relatively high levels and stays stable even in cases where these countries have quite low trade union density levels.[36]

On the other hand, in countries like the US where collective agreements are signed mainly at the company level, collective agreement coverage tends to go hand-in-hand with trade union density. Moreover, some countries, including "Austria, Denmark, Finland, France, Germany, Hungary, Luxembourg, Netherlands, Norway, Poland, Slovak Republic, Slovenia and Sweden have [legal] provisions allowing workers' representatives to sit on the boards of private sector companies in firms above a certain size."[37] In countries like "Chile, Greece, Ireland, Israel, Poland, Portugal and Spain workers' representatives can sit on the boards only of state-owned enterprises."[38] Finally, in the countries – such as Denmark, Finland, Iceland, Sweden and Norway - where unemployment benefits are administered by union-affiliated institutions (the so-called "Ghent system") union membership rate is above 50 percent level.
In the US whereas a typical feature of the Anglo-Saxon system of labour market regulation the government's legislative role is fairly limited, there aren't such significant levers available for trade unions and workers to make use of. Therefore, when it comes to trade unions in the US, union membership and union density figures provide us with a good deal of insight as to the level of trade union strength and its social influence. Hence, as Barry Eidlin from the McGill University noted in a recent article:

The decline in density has been matched by a decline in unions' social, economic, and political clout. In the decades after World War II, master contracts in auto, steel, mining, and trucking set the pattern for wages and working conditions in other major industries. Labor leaders like United Mine Workers head John L. Lewis, United Auto Workers president Walter Reuther, and Amalgamated Clothing Workers leader Sidney Hillman were household names whose actions were considered worthy of regular mainstream news coverage.Today, many union leaders cite nonunion competition as a rationale for accepting wage and benefit cuts, and few receive much attention outside the world of labor scholars and activists. Even in leftist and progressive circles, unions have fallen out of favour as a topic of conversation.[39]

[34] "Why French trade unions are so strong", *The Economist*, www.economist.com/blogs/economist-explains/2014/03/economist-explains-15, last time accessed on 19 February 2017.
[35] Collective bargaining coverage is usually computed as the percentage of workers covered by a collective agreement to the total number of workers, i.e. wage and salary-earners.
[36] There is no single model of sector-level collective bargaining and countries that have it differ greatly in terms of the degree of coordination and the room left to lower-level collective agreements. However, due to reasons of space, we will not go into these details here.
[37] Collective Bargaining and Workers' Voice in a Changing World of Work, Footnote 23, p. 41. And the threshold regarding the size of private companies varies considerably: "For instance, in Germany, in firms with more than 500 employees, more than 300 employees in Austria companies, more than 35 employees in Denmark companies, more than 30 employees in Norway companies and more than 25 employees in Sweden." Ibid., p. 41.
[38] Ibid., p. 41.
[39] Barry Eidlin, "From Class to Special Interest", *Jacobin*, issue 22, Summer 2016, p. 23.

5. ORGANISATIONAL CAPACITY OF UNIONS COMES UNDER STRAIN

In the face of dwindling membership base and thus waning financial resources[40], American trade unions are facing a substantial downsizing and a possible weakening of their organisational capacity. For instance, at the time of writing, this drop-out was underscored by a decision of the AFL–CIO, taken on the eve of its Executive Council meeting in March 2017, to announce cutting of dozens of staff.[41] As a matter of fact, this is the second major wave of downsizing for unions in the US, as during a similar restructuring drive eleven years ago, in 2005, the AFL-CIO cut about one-fourth of its personnel at the federation's Washington DC headquarters.[42]

Almost simultaneously, the Service Employees International Union (SEIU) - a trade union representing 1.9 million workers and affiliated to the rival Change to Win Federation - President Mary Kay Henry informed her staff that the union was planning for a 30 percent budget reduction over the next year.

6. THE CHASM BETWEEN THE PUBLIC AND THE PRIVATE SECTOR

As can clearly be seen in *Figure 3*, the composition of the unionised workforce in the US points to a striking imbalance between union densities in the public and private sectors. As Meyerson explains:
Over the past 30 years, confronted with the growing near-impossibility of expanding in the private sector, many once-exclusively-private-sector unions have turned to organizing such public-sector workers as university employees and nurses. The United Auto Workers, for instance, which had 1.9 million members in 1979, today has fewer than 400.000 – and only about 125.000 are actually auto workers. The union also claims as members employees at the Universities of Michigan and California, and had claimed free-lance writers in New York.

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[40] However, some unions in the US have managed to find new and in some cases highly lucrative sources of income. For example, the United Auto Workers (UAW) has such new income sources based on the money coming from union-company management slush funds, stock holdings of major three companies (or the "Big Three automobile manufacturers", namely, General Motors, Ford and Chrysler) and multi-billion-dollar VEBA (voluntary employees' beneficiary association) trust funds. Unsurprisingly, as the membership of the UAW has declined, the share of union funds coming from dues has contracted as well. According to federal filings in 2000, the UAW received 67 percent of its income from dues. By 2014, this figure dropped to 53 percent. Moreover, the UAW executives earn money from their positions on various joint labour-company management committees. The possible impact and side effects of such solutions will be discussed in a separate article analysing trade union strategies to tackle their ongoing crisis, as stipulated in the introduction above.

[41] Josh Eidelson, "AFL-CIO Dismissing Staff Amid Declines in U.S. Union Membership", *Bloomberg*, 23 February 2017, https://www.bloomberg.com/news/articles/2017-02-23/afl-cio-dismissing-staff-amid-declines-in-u-s-union-membership: "The AFL-CIO is dismissing dozens of staff members as part of a restructuring amid continuing declines in union membership and fresh political threats to labor rights."

[42] Interestingly, layoffs create extra physical room for the AFL-CIO in its headquarters to rent out as office space to third party tenants allowing the federation to receive rent income to offset part of its loss in union dues. See, Steven Mufson, "AFL-CIO moves to dismiss 'several dozens' of its headquarters staff", The *Washington Post*, 28 February 2017, https://www.washingtonpost.com/business/economy/afl-cio-moves-to-dismiss-several-dozens-of-its-headquarters-staff/2017/02/28/e8d70c1a-fd3d-11e6-99b4-9e613afeb09f_story.html?utm_term=.b19716c1517b

As a rule, the elected governments in the unionized regions of America had not opposed unionization in the way that private-sector employers had, in part because, unlike private-sector employers, they had to come before the voters.[43] In 2016, while trade union density remained relatively strong within the public sector with 34.4 percent, private sector union density plummeted to a mere 6.4 percent[44]. Currently, public sector workers have a union membership rate roughly 5.4 times higher than that of private-sector workers. There is a similar union density variation in OECD countries too. On average across OECD countries, 39 percent of public sector workers are unionised while the unionisation rate for private sector workers is 12 percent.[45] By a rule of thumb, trade union density is traditionally higher among public sector workers than among their private sector counterparts. Nevertheless, the chasm on average across OECD countries is not as wide as it is in the US. Across OECD countries public sector workers' average union membership rate is 3.2 times higher than that of private-sector workers.

More importantly, being able to preserve union density in the public sector doesn't necessarily mean that public unions in the US are totally immune from the general trend. For instance, in 2016, union membership suffered major membership losses both in public-sector and private-sector, falling by more than 120.000 in the first and by a similar figure in the latter. Moreover, since 2009 there is a relatively slow but steady fall in public-sector union membership, which overlaps with a period when states and municipal governments, ravaged by the budget crisis, continued to slash services as well as employment conditions of their employees.

In addition to that, an expansion of right-to-work legislation has been playing a significant role in weakening public sector unions. Right-to-work laws prohibit the payment of union dues as a condition of employment. In states where union membership had become voluntary under this law, tens of thousands of workers have stopped paying dues. There are only a few examples of well-organised unions that managed to thrive under right-to-work legislation thanks to their on-the-ground organising[46]. Therefore, workers leaving public sector unions in their droves in States that recently enacted right-to-work point to a deep alienation of these organisations from their rank-and-file members[47].

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[43] Harold Meyerson, *The State of the American Unions*, (Friedrich Ebert Stiftung Study Paper, 2012), p. 6.

[44] This is in a sense an overestimate as private-sector unions still have some strength only in industries that government is deeply involved, such as health care.

[45] Sandrine Cazes and Andrea Garnero, *Collective Bargaining and Workers' Voice in a Changing World of Work*, "Figure 4.3. Trade union density by groups, 2013", (Paris: OECD, 15 March 2017, p. 13).

[46] A rare example of these can be found in Indiana. Indiana became a right-to-work state in 2012, but workers at the Jeffboat Shipyard in Jeffersonville, Indiana, managed to keep their union intact with only a very small group of workers quit paying dues.

[47] At the time of writing, Iowa governor signed a bill limiting collective bargaining for state employees. Although Iowa has been a right-to-work state since 1947, this new legislation seriously undermines the income and influence of public-sector unions: "The measure lifts mandates that require state and local governments to negotiate with public sector unions on how much employees receive in health benefits. Instead, mandated negotiations would center on wages." Iowa lawmakers pass bill to curb public sector unions, *Reuters*, 16 February 2017, http://www.reuters.com/article/us-iowa-labor-idUSKBN15V30A

7. INCREASED GOVERNMENT DEPENDENCE MAKES UNIONS MORE VULNERABLE

In the early 1970s union membership was about the quarter of the workforce for both public-sector and private-sector employees. Then a rapid diversion emerged between these two ratios. Public-sector union density started to increase reaching around 35 percent by 1980. On the other hand, private-sector membership plummeted, as discussed in some detail above.
These figures indicate that industrial unions have been incapable of winning new members and as a result of this, their membership figures dwindled to virtually negligible levels in unions' former strongholds, such as auto, steel and mining[48]. Meanwhile, the US trade union movement has become largely dependent on the government for its continued existence.

In this respect, an important statistical cornerstone was reached in 2009, when for the first time in history the number of unionised workers in the public-sector surpassed the number of private-sector workers in unions. According to the figures issued by the BLS, in the year 2009, 7.9 million public-sector employees belonged to a union compared to 7.4 million private-sector employees. This was despite the fact that the number of private-sector workers was five times more that the number of workers in the public-sector.

Over the last three decades, public-sector unions couldn't manage to break the 37 percent ceiling and recently, we see the emergence of a tendency of decline in public-sector membership as well as the loss of political clout. According to Harold Meyerson, at a time when the level of economic inequality in the United States has become a primary issue in the nation's political discourse,
Many commentators seem to have altogether stopped thinking about the role that unions play in creating more broadly shared prosperity. Most of the discussion and proposals coming from liberals on how to re-create a more equitable economy focus on making the tax code more progressive and improving education. Unions have gone missing from the bulk of this discussion, the clear connection between union density and power on the one hand and a more equitable distribution of wealth on the other to the contrary notwithstanding.[49]

These are indications of a crisis of relevancy for public-sector unions, which are seen as the last bastion of unionism in the US by many. In an article dated September 2012, John S. Ahlquist from the University of California compares the history of unionisation in various US states and unearths some striking patterns. His findings and conclusions are rather instructive:

- The best predictor of a state's rate of public sector unionization in 2002 is the strength of unions in the private sector decades earlier. States with "right-to-work" laws discouraging private-sector unions in 1964 had 9% lower rates of public-sector unionization by 2002.
- States where organized labor had a strong presence in the past also granted more collective bargaining rights to their public sector workers – including the right to strike.
- Whatever the level of private-sector unionization in 1983, each percentage point decline in private sector unionization in a state between 1983 and 2002 was associated with 2% lower public-sector unionization by 2002.

[48] "Union affiliation of employed wage and salary workers by occupation and industry", BLS, https://www.bls.gov/news.release/union2.t03.htm
[49] Meyerson, ibid, p. 2.

In sum, U.S. public unionism emerged most forcefully where private-sector unions were already strong. As private-sector union strength has evaporated, public sector unions are increasingly vulnerable.[50]

8. RECENT LEGISLATIVE CHANGES THAT MIGHT WEAKEN PUBLIC SECTOR UNIONS SIGNIFICANTLY

Less than a month after his inauguration as President, Donald Trump issued an executive order freezing hiring for the executive branch, which has approximately 1.2 million employees[51]. If this freezing continues for a few years it will inevitably cause contracting out and privatisation, which will mean a loss of members for public sector unions. President Trump also chose Federal Judge Neil M. Gorsuch for the Supreme Court. This appointment is expected to break the deadlock over a major labour case (known as the *Janus v. AFSCME* case) over whether government workers should be compelled to pay union dues even if they are not members.[52] So far, thanks to the deadlock at the Supreme Court, a previous pro-union ruling stayed intact that lets more than 20 states continue to require public-sector workers to help fund union representation. An adverse outcome for public-sector unions will mean a severe loss of income, forcing them to reduce staff and possibly making them less effective in the face of pressures to agree to pay, pension and health-care cuts. Needless to say, this will only weaken the unions' credibility in the eyes of their members. Appointment of Betsy DeVos who is known as a champion of corporate education reform as the new Secretary of Education signals that the teachers' unions will face even greater challenges.

At the time of writing, 28 states had right-to-work laws.[53] And this figure is expected to rise at the state level, as Republicans control 32 legislatures and 33 governors in the US.[54] Furthermore, on 1 February 2017, two Republican Representatives, Steve King of Iowa and Joe Wilson of South Carolina introduced a national right-to-work bill in Congress. Four days later, Senator Rand Paul introduced a Senate version of this legislation that would make right-to-work law across the country.

These two initiatives are closely linked and feed into each other: state-by-state initiatives further tip the balance of power against unions and as the number of states with right-to-work increases a nationwide federal law becomes more achievable and acceptable for the general public at large.

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[50] John S. Ahlquist, "Why America's Public Sector Unions Face Political Attacks", *Scholars Strategy Network*, www.scholarsstrategynetwork.org/brief/why-americas-public-sector-unions-face-political-attacks, last time accessed on 18 February 2017.

[51] The freeze does not affect the US military.

[52] For a summary of similar major labour cases from a pro-union perspective, see Moshe Z. Marvit, "Labor Opponents Already Have The Next 'Friedrichs' SCOTUS Case Ready to Go Under Trump", *Working In These Times*, 4 January 2017, http://inthesetimes.com/working/entry/19776/will_trumps_supreme_court_reverse_fair_share_fees_unions_foes_hope_so.

[53] Since the beginning of 2017, Missouri and Kentucky have also passed "right-to-work" legislation.

[54] In 24 states Republicans control both the state house and the legislature.

9. AGEING UNION MEMBERSHIP BASE

American trade unions are not only heavily skewed towards the public-sector, but towards older workers as well. Therefore, one of the most pressing challenges confronting trade unions in the US involves their ability (or, in this case, inability) to recruit young workers and cultivate young leaders. In 2016, by age, the union membership rate was highest among workers 45 to 54 and 55 to 64 years old (13.3 percent for both), while only 4.4 percent of those 16 to 24 were union members. As for a comparison, in 2000 trade union density among 16 to 24 year-old workers was 6 percent. A more detailed study of the BLS data also shows that American unions have seen union membership of younger workers decline faster than among older workers.

Table 2: **Members of trade unions in 2016**[55]

	Total	**Percent of employed**
Total, 16 years and over	14,555	10.7
16 to 24 years	816	4.4
25 years and over	13,739	11.7
25 to 34 years	2,924	9.2
35 to 44 years	3,423	12.0
45 to 54 years	3,846	13.3
55 to 64 years	2,903	13.3
65 years and over	643	9.6

When it comes to OECD countries we once more see a similar pattern with "prime age [aged 25-54] workers constitute the core of trade union affiliates but as a share of the working population, older workers are those more likely to be union members. Youth [aged 15-24] only represent 8.5% of total union members in the OECD area, and are the age group least likely to unionize in all countries."[56] And once again, the situation looks grimmer for American trade unions. Based on these figures, one can safely maintain that many young American workers have no experience of trade unionism at all. As union density continues to fall among young people, union membership of youth in the US more and more becomes a thing of the past and this process is closely related to the loss of union culture particularly inter-generationally.

Although here we are not going to discuss the factors that have a marked effect on the unionisation of young workers, it is clear that this is a structural problem for the union movement in the US setting in train a further wave of decline in membership figures in the decades ahead. All other factors being equal, as older workers retire union membership will keep on falling.

On the other hand, it is a well-established fact that young people have borne the brunt of the dismantling of full-time work. A report released in July 2016 by Indeed Hiring Lab, entitled, "The State of Opportunity: Overcoming the Wage Crisis in Today's Labor Market," paints a

[55] "Union affiliation of employed wage and salary workers by selected characteristics", BLS, https://www.bls.gov/news.release/union2.t01.htm
[56] Cazes and Garnero, ibid, p. 13.

bleak picture regarding the situation facing young workers looking for jobs in the US.[57] The report emphasises, "Today, many people feel that the labor market is polarizing, with high-paying opportunities going to a select few, middle-wage jobs disappearing, and low-wage jobs proliferating."[58] Hundreds of thousands of youth have been consigned to low-paid, insecure work with poverty-level wages, no entitlements and the constant threat of unemployment. These conditions are spreading throughout the entire workforce, with rates of part-time, casual and contract work soaring: The union membership rate was 11.8 percent for full-time workers, more than twice the rate for part-time workers at 5.7 percent.[59]

10. UNIONS HAVE ALMOST GIVEN UP ORGANISING

Following his election as AFL-CIO president in 1995, John Sweeney made organising new members his number one priority. When the New Voice slate he led took control of the union federation, one of Sweeney's first acts was to set up an Organizing Department with a USA$20 million budget. In addition to this emphasis on "the organizing model of unionism", establishing "labour-community alliances" and expanding "labour internationalism" were raised as the main pillars of the new leadership's strategy for strengthening unions. However, these attempts haven't reversed the AFL-CIO's trajectory of decline and the weakening of US unions at large has continued unabated as shown above. Even worse, over the last few years, the American unions almost totally gave up organising new workers. As Meyerson observed back in 2012,

… there is less organizing going on today than at any time in many decades. Unions are moving heaven and earth to fight back against the attacks being mounted against them in state after state, and in the House of Representatives, but even the unions most identified with organizing during the past several decades, most prominently the Service Employees International Union (SEIU) seem to have largely abandoned their efforts.[60]

He adds:

The unions more oriented to organizing – there were roughly seven or eight big unions still organizing out of a total of about 60 in the year 2000 – sought to avoid NLRB-certified elections altogether, so weak were the protections afforded by the law. The annual number of union elections declined by about 80 percent from 1970 to 2010. At times, unions sought to win recognition through "card check" – having a majority of workers sign union-affiliation cards, and putting pressure on both the employer's financial backers and on the communities in which the work place was located, compelling the employer to sign a contract. But card check only worked occasionally…[61] Over the last five years, there were only a few attempts to organise workers by the American unions, which all ended unsuccessfully. Some significant examples of attempts were as follows:

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[57] *The State of Opportunity: Overcoming the Wage Crisis in Today's Labor Market*, Indeed Hiring Lab, http://blog.indeed.com/wp-content/uploads/2016/07/State_of_Opportunity-Indeed_Hiring_Lab.pdf, last time accessed on 3 March 2017.

[58] Ibid, p. 2.

[59] *Economic News Release: Union Members Summary*, BLS, 26 January 2017, https://www.bls.gov/news.release/union2.nr0.htm. Here, OECD average also fairs relatively better compared to the US: "… union members in all OECD and accession countries have overwhelmingly a permanent contract, with only 11% of them having a temporary contract." Cazes and Garnero, ibid, p. 13.

[60] Meyerson, ibid, p. 3.

[61] Meyerson, ibid, pp. 4-5.

- In 2014, despite the fact that UAW signed a neutrality clause with Volkswagen with the support of the German trade union IG Metall[62] workers at Volkswagen's Chattanooga, Tennessee plant voted against the union by 712 to 626.
- In 2015, The International Association of Machinists and Aerospace Workers (IAM) withdrew its application to organise cabin crew at Delta Air Lines and since then this organising campaign collapsed totally.
- In 2017, employees at Boeing's Commercial Airplanes plant in South Carolina overwhelmingly rejected the IAM in a union recognition vote. 74 percent or 2,097 of the 2,828 workers who cast ballots voted against joining the IAM.

11. THE GRAPHIC DECLINE IN STRIKE ACTIVITY

As Joseph A. McCartin an American labour historian at The New York University pointed out rightly, The story about declining union power over the last several decades is usually told in terms of plummeting union density. But workers' willingness to confront their employers with a strike tells us even more about the balance of power in labor relations.
By that metric, the scales have tilted drastically since the *Abood* era.[63]

There are three different and widely used indicators of strike activity: (1) the number of strikes; (2) the number of workers involved in strike action; and (3) the number of working days lost due to strikes. Available official data regarding the last two indicators show that the shrinking trade union membership has, in turn, led to a drastic decline in strikes. In the second half of the 1960s and the first half of 1970s, these three indicators were all hovering at historically high levels, and started to fall dramatically in the early 1980s. To be more specific, 1981 was a historical turning point in terms of strike activity when then President Ronald Reagan dismissed more than 11,000 air traffic controllers who were members of the defunct Professional Air Traffic Controllers Organization (PATCO) for violating federal laws against striking. According to McCartin, the 1981 PATCO strike and its defeat were "one of the most important events in late twentieth century U.S. labor history."[64] As Norwegian trade union officer, researcher and author Asbjorn Wahl pointed out:

In the United States, Ronald Reagan confronted the air traffic controllers when 13,000 of them went on strike in August 1981. They were given the choice of going back to work within two days or losing their jobs. The 11,000 or so that defied this threat were sacked, and military personnel was used to control air traffic. The sacked controllers were never allowed to return to their jobs, and their trade union was crushed in the conflict. This gave the unions a shock, not only in the United States but also worldwide.[65] However, the PATCO strike didn't only become a major landmark in the decline of trade unions in the US; it also set the tone for private companies across the country. According to the former Federal Reserve chairman

[62] Kirsti Knolle and Tim Ghianni, "Germany's IG Metall to deepen ties with U.S. union UAW", *Reuters*, 19 November 2015, http://www.reuters.com/article/germany-carmakers-unions-idUSL8N13E5FK20151120, last time accessed on 10 March 2017.
[63] Joseph A. McCartin, "After the Friedrichs Scare", *Jacobin*, issue 22, Summer 2016, p. 78. By "*Abood* era" McCartin refers to the 1977 decision in the case of *Abood v. Detroit Board of Education*, which formed the legal basis to overturn the *Friedrichs v. California Teachers' Association* case.
[64] Joseph A. McCartin, "Professional Air Traffic Controllers Strike (1981)", in *Encyclopedia of U.S. Labor and Working-class History*, Editor: Eric Arnesen, (New York: CRC Press, August 2014, pp. 1123-1126).
[65] Asbjorn Wahl, *The Rise and Fall of the Welfare State*, Translated by John Irons, (London: Pluto Press, 2011, p. 67). For a more detailed examination of the 1981 strike by PATCO air traffic controllers in the US, see Tom Mackaman, *Thirty Years Since The PATCO Strike*, (Detroit: Mehring Books, 2011).

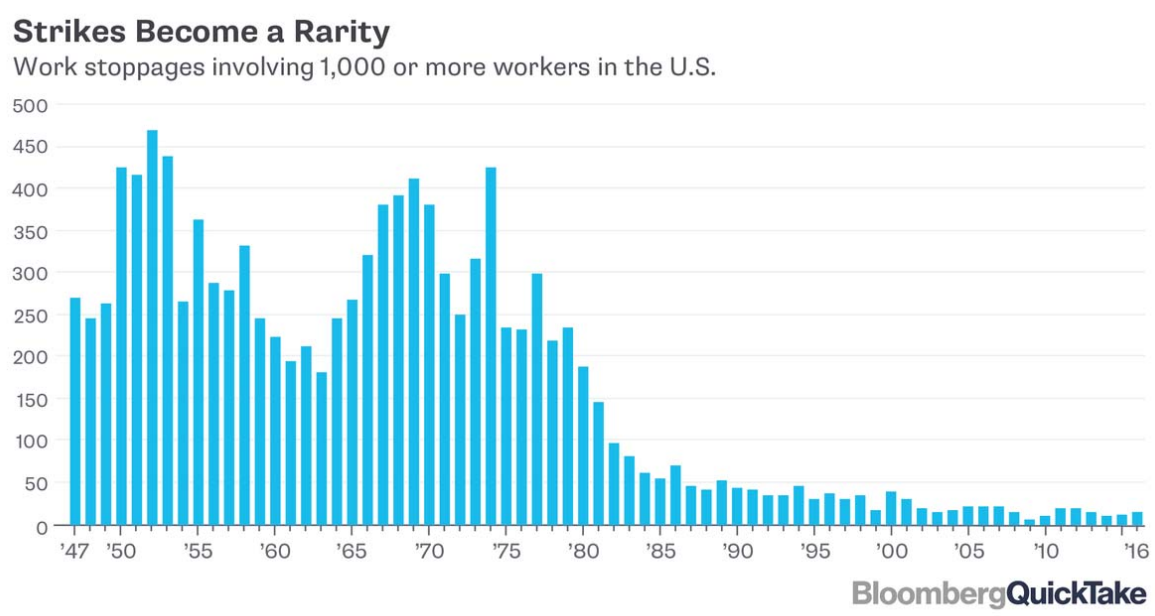
Alan Greenspan, the dismissal of air traffic control workers in 1981 was President Ronald Reagan's "most important domestic initiative" for its impact on private hiring decisions.[66] As shown in Figure 4, the data based on strikes involving 1,000 or more workers[67] points to a drastic decline in strike activity. It would not be an exaggeration to say that in the US once considered a fact of daily life, strikes and walkouts all but disappeared from the scene.[68] According to the BLS figures, from 1970 to 1980, there was an average of 280 work stoppages per year in the US involving 1,000 workers or more, compared to 15 in 2016. And what is more, it is worth to note that the AFL-CIO hasn't called a single national strike in nearly 40 years.

[66] "But perhaps the most important, and then highly controversial, domestic initiative was the firing of the air traffic controllers in August 1981. The President invoked the law that striking government employees forfeit their jobs, an action that unsettled those who cynically believed no President would ever uphold that law. President Reagan prevailed, as you know, but far more importantly his action gave weight to the legal right of private employers, previously not fully exercised, to use their own discretion to both hire and discharge workers. There was great consternation among those who feared that an increased ability to lay off workers would raise the level of unemployment and amplify the sense of job insecurity." Alan Greenspan, *The Reagan Legacy*, a speech made at the Ronald Reagan Library, Simi Valley, California, 9 April 2003, https://www.federalreserve.gov/boarddocs/speeches/2003/200304092/default.htm, last time accessed on 21 March 2017.

[67] As the BLS only counts strikes and lockouts of 1,000 or more workers, there are some caveats to keep in mind in analysing the downward trend. For example, in a recent article, two American pro-union labour journalists highlighted the shortcomings of the official figures regarding strike activity in the US and made a call to US trade unions and workers to report their strike to *Labor Notes*, a respected non-profit organisation and network for rank-and-file union members and grassroots labour activities in the US. Their plan is to compile these reports and publish the results on *Labor Notes*. Kim Moody and Sheila Cohen, "Are Strikes Dead, or Just Happening Under the Radar? Report Your Strike", *Labor Notes*, 9 March 2017, www.labornotes.org/blogs/2017/03/are-strikes-dead-or-just-happening-under-radar-report-your-strike, last time accessed on 18 March 2017.
Indeed, a 1,000 would be a more reasonable cut-off when these reports began in 1947. But over the last few decades, particularly private sector workplaces have been greatly reduced in size due to technological change and outsourcing. As a result of this development, national collective bargaining agreements that once covered tens, even hundreds of thousands of workers are today rate, and the few remaining also have shrunk drastically.
Finally, one should also keep in mind that short strikes by workers without a certified union tallied as well as other forms of industrial action that do not involve full-work stoppages, such as go-slows, silent and other protests on the workplace are not included in the BLS data.

[68] As strikes become less common in social life, the number of people that have little opinion on the matter has been growing. This amounts to the disappearance of an understanding of strikes and union culture at large within the American society. As Joshua Freeman, a professor of history at CUNY explained to *Patch Magazine* in April 2016 within the context of the Verizon strike at the time: "Freeman explains that there used to be a much stronger sense of where people stood on the issue of unions, especially in New York City. 'There was a kind of instinctive solidarity, at least among working people,' he explains. 'You didn't cross a picket line; that was a basic moral precept that a lot of people shared.'" Cody Fenwick, "Verizon Strike: Why Unions Are Reluctant To Walk Off Job", *Patch Magazine*, 18 April 2016, https://patch.com/us/across-america/verizon-strike-why-work-actions-have-declined-unions-have-vanished-0, last time accessed on 15 March 2017.

Figure 4
Source: "U.S. Labor Unions", Bloomberg, https://www.bloomberg.com/quicktake/u-s-labor-unions

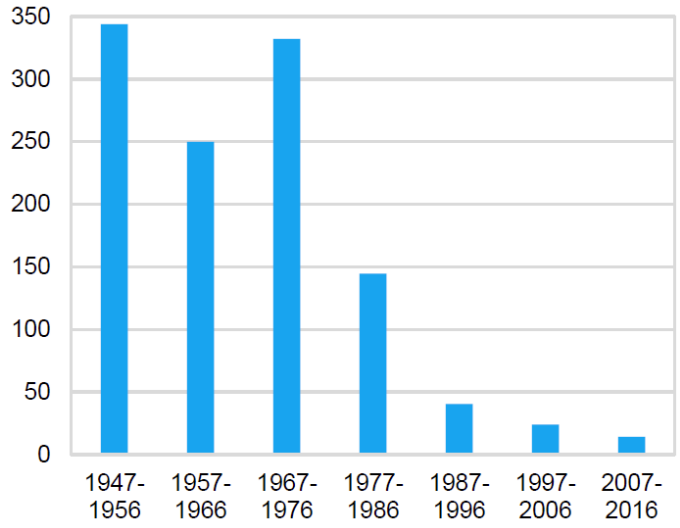


By the early 1990s, a new period with historically very low levels of strike activity on all measures settled in. This pattern has been continuing over the last three decades. Since the early 2000s, all measures of strikes have been very low. In the US, never before there has been a low-strike period lasted so long. Here, the issue is not simply the low level of strikes, but the stability of this low level strikes.

The latest BLS report on "Major Work Stoppages in 2016" reads:
This year marks 70 years of work stoppages data collected by the U.S. Bureau of Labor Statistics. Over the past four decades (1977-1986 to 2007-2016) major work stoppages declined approximately 90 percent. … The period from 2007 to 2016 was the lowest decade on record, averaging approximately 14 major work stoppages per year. The lowest annual number of major work stoppages was 5 in 2009.[69] The BLS data shows that from 1967-76 there were 3,321 major strikes. For 1987-96 that number was down to 404. In the concluded decade, i.e. for 2007-16, there were only 143.

[69] "Major Work Stoppages in 2016", Bureau of Labor Statistics, 9 February 2017, https://www.bls.gov/news.release/pdf/wkstp.pdf, last time accessed on 18 March 2017.

Figure 5
Average number of annual major work stoppages by decade, 1947-2016
Source: BLS,



https://www.bls.gov/news.release/wkstp.t01.htm

Calculations by the BLS point out that as the percent of estimated working time[70] the idle days account for less than .005 during the last ten-year period. As pointed out in the footnote 66, there are indeed different issues and views regarding the reliability of the figures but here we are not going to dwell on this question here. Also, the long-term pattern is indisputably clear. In other words, the factors mentioned in the footnote 66, which also contributed to union membership loss, don't fully account for the much steeper decline in strikes. Of course, along the way, there have been some significant strikes and flashes of trade union militancy, so to speak:

… the strike at Hormel in 1985-86; the near-simultaneous strikes against Bridgestone-Firestone, Caterpillar, and Staley in 1994-96; the UPS strike of 1997; the New York City transit strike of 2005; and the Chicago Teachers Union (CTU) strike of 2012. But with the partial exceptions of the UPS and teachers' strikes, most of these struggles ended in defeat.[71]

Nowadays, there is also a need of drawing a clear demarcation line between genuine strikes and different protest actions called as "strikes". Jane McAlevey of the New York University explains: In my book, a strike happens when the majority of workers walk off the job. But in today's PR-driven world, unions' "strikes" are often temporary work stoppages by a few workers, who then stand on the sidewalk handling out leaflets or doing TV interviews.[72]

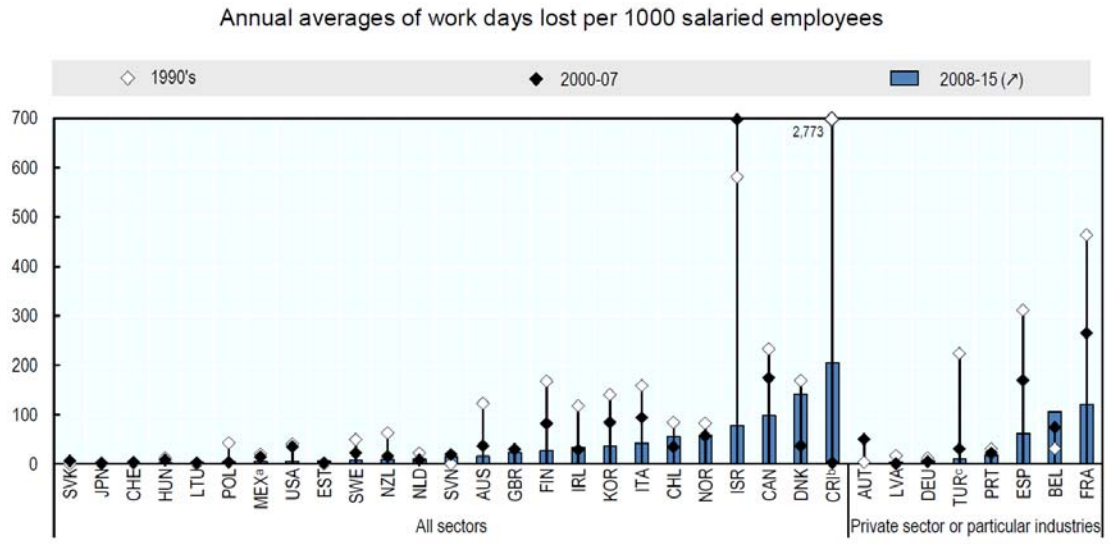
[70] The BLS calculates the percent of estimated working time by using employment estimates from the Current Employment Statistics program and the number of workdays in the month and number of days idle from the Work Stoppages program. For more information on Work Stoppages methods and measures, see "Chapter 8. National Compensation Measures" of the *BLS Handbook of Methods* at www.bls.gov/opub/hom/pdf/homch8.pdf.

[71] Charlie Post, "The Forgotten Militants", *Jacobin*, issue 22, summer 2016, p. 9.

[72] Jane McAlevey, "Everything Old Is New Again", *Jacobin*, issue 22, Summer 2016, p. 69

Figure 6 shows the trends in industrial disputes across OECD and accession countries. The US is amongst the countries with very low levels of strike action.[73] And "in most OECD and accession countries the number of work days lost due to strikes and lockouts has decreased markedly since the 1990s."[74]

Figure 6



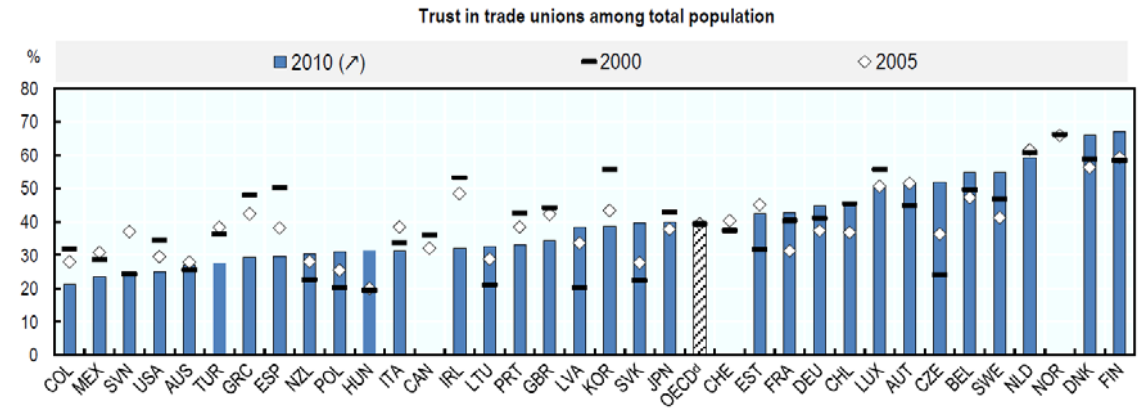
Source: OECD

12. A CRISIS OF CREDIBILITY

When it comes to trust in trade unions amongst citizens, American unions rank bottom four across OECD and accession countries. *Figure 7* also shows that between 2000 and 2010 trust in US unions has decreased significantly. As of 2010, on average the trust that citizens have in unions across OECD and accession countries was 40 percent compared to 25 percent in the US.

[73] For further details see Cazes and Garnero, ibid, p. 82-86.
[74] Cazes and Garnero, ibid, p. 6.

Figure 7



Source: OECD

13. CONCLUSION

It is difficult to exaggerate the seriousness of the organisational setback suffered by the US union movement since the early 1950s. This de-unionisation took the form not just of a fall in the trade union density but also of an absolute decline in the number of union members.
The decline is widespread, in all sectors and regions, suggesting deep fundamental sources such as growing employer opposition, unfavourable legislative trends, and declining worker trust in union institutions.

Overall, our findings can be summarised as follows:

- The US trade union movement is facing an acute crisis.
- Trade union density is at the lowest level in more than a century. Decades of membership losses have eroded its presence both as a socio-economic force and a factor in the US politics.
- However, even in their weakened state, unions still play an important role in improving the lives of their members as well as nonunionised workers. Unions help non-union workers mainly by raising the floor of compensation.
- While union density is 6.4 percent in the private-sector it is able to represent one-third of workers (34.4 percent) in the public-sector. On the other hand, union density in the public-sector was 37 percent in 2011, pointing out a serious tendency of decline emerged over the last five years.
- In 2009, the actual number of unionised public-sector worker exceeded the number of unionised private-sector workers. Meanwhile, the trade union movement's foothold among public-sector workers is under fierce attack by the Trump administration.
- American unions have failed in organising key hi-tech industries and other rapid growing industries as well as establishing a major presence in large parts of the country, including the South and many states of the Southwest and upper-Midwest.
- The collapse of the dues base as a result on membership losses is pushing unions to curtail their institutional and organisational capacity.
- Unions' inability to recruit younger worker is very alarming and as of 2016, the union membership rate stands at only 4.4 percent amongst 16-24 year old.
- American unions almost totally gave up the idea of organising new workers. Recent few attempts of organising mostly ended unsuccessfully.
- Strikes are also hovering at all-time low levels.

- With the union density at private-sector so low, and much of the private-sector membership still concentrated in manufacturing industries subject to global competition, the pay and benefits that these unions secure in their collective bargaining agreements have been sharply reduced. This situation puts union between rock and a hard place and contributes significantly to the unions' crisis of credibility.
- Trade unions have also declined more or less in the same vein across the OECD members and accession countries pointing out that this is a global phenomenon. However, the drop has been much sharper and dramatic in the US.
- Given current trends and developments, the trade union movement in the US may virtually disappear over the next decade.

Taking the data exhibited in this article into consideration, one must seriously ask whether there is a future for trade unions in the US. Discussing the underlying causes of the historic decline of trade unions in the US and making a critical assessment of their strategies to prevent this steep decline require two separate articles.

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