

Divisions among union officials over “reform” of AFL-CIO

Jerry White
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The last several months have witnessed some stirrings within the usually lifeless body of the AFL-CIO labor bureaucracy. On the eve of the winter meeting of the AFL-CIO Executive Council, scheduled for March 1 in Las Vegas, the leaders of the American trade unions are engaged in a series of frantic behind-the-scenes maneuvers to “reform” their dying institution.

In the wake of the defeat of John Kerry and the AFL-CIO’s failed effort to elect the Democratic candidate, despite spending a record \$150 million, a factional conflict within the trade union bureaucracy broke to the surface with the heads of several of the largest unions trading threats of a split-up of the 50-year-old national labor federation.

During the AFL-CIO Executive Council meeting last November, Andrew Stern, president of the federation’s largest affiliate, threatened to take his 1.6-million-member Service Employees International Union (SEIU) out of the AFL-CIO unless it agreed to his union’s plan for overhauling the federation and reversing the decades-long decline in union membership.

Stern called for the restructuring of the labor federation, including the consolidation of its 60 affiliated national unions into 20 large organizations, responsible for specific sectors of the economy. He said the AFL-CIO needed to provide more resources for organizing by cutting by half the annual dues paid to the federation by the national affiliates and using royalties from the Union Plus credit card to launch a \$25 million campaign to organize Wal-Mart. The AFL-CIO, Stern said, also had to dedicate more money for “political action” to elect candidates who would support the federation’s efforts to expand its membership.

Stern’s proposals met with severe resistance, with at least one major union, the International Association of Machinists (IAM), warning it would quit the AFL-CIO if Stern’s agenda was adopted. Chief among the concerns, particularly from officials controlling smaller unions that would be forced to merge with larger ones under Stern’s plan, was that tens of thousands of national, regional and local-level bureaucrats stood to lose their positions and the bloated salaries, perks and upper-middle-class lifestyle that come with them. Stern’s union, on the other hand, stood to gain from such mergers.

The dispute within the labor bureaucracy is hardly noticed by ordinary workers, particularly since the proportion of the American workforce that is unionized has fallen to almost negligible levels. The unionization rate among private-sector workers dropped to just 7.9 percent in 2004, the lowest percentage since 1901. Total union membership fell by another 300,000 in 2004, to just 15.5 million, or 12.5 percent of the workforce. In 1955, when the AFL and CIO merged, more than 33 percent of the workforce—almost all in the private sector—were union members. As late as 1983, 20 percent of the workforce was unionized.

Even in the public sector, the last remaining stronghold of the AFL-CIO, the unionization rate fell to 36.4 percent in 2004 from 37.2 percent the year before.

For years, the labor bureaucracy was able to insulate itself from the impact of declining membership rolls and loss of union dues by

establishing various labor-management deals in which the bureaucracy was rewarded for collaborating in the destruction of jobs, wage-cutting and speed-up.

The continued loss of union members, however, has reached a point of critical mass and severely undermined what the bureaucracy sees as its most important task: propping up the Democratic Party.

An account of last November’s AFL-CIO Executive Council meeting, which appeared in the *American Prospect* magazine said, “Like everyone in the room Stern knew that Labor’s effort for Kerry had come up short not due to deficiencies in its political program but in good part because there simply aren’t enough union members anymore to turn an election.”

The labor bureaucracy has no differences with the pro-war and pro-business policies espoused by Kerry and the Democratic Party—policies that alienated millions of working class voters and essentially handed the election to Bush. Instead, Stern argues the problem is that the AFL-CIO must overcome its declining membership problem in order to hand over more votes to this big business party.

The virtual collapse of the Democratic Party poses very real threats to the income base of the AFL-CIO bureaucracy. The Bush administration has launched an aggressive campaign to curtail collective bargaining rights for hundreds of thousands of federal employees, and the new Republican governors of Indiana and Missouri last month unilaterally cancelled collective bargaining agreements for 34,000 state employees.

On January 28, the Department of Homeland Security (DHS) issued a new set of regulations that significantly narrow collective bargaining by four unions that represent a total of 75,000 workers, including the American Federation of Government (AFGE) employees. The directive gives the department full authority to set pay rates, promotions, hiring and firing, and other workplace decisions.

The White House plans to use these rules as a model for the entire federal workforce. Like the DHS regulation, the Defense Department’s new “National Security Personnel System” is expected to weaken or eliminate collective bargaining rights, the right to appeal management decisions, the current pay system and other unilateral changes.

Representatives of some 40 unions that have members in the Defense Department held a press conference on Feb. 8 to protest the soon-to-be-released restrictions on worker rights. Several hundred members joined a rally and march in front of Capitol Hill. The new regulations “reflect a mind-set that, from the beginning, viewed unions as enemies to be co-opted or destroyed instead of the allies we are in the war on terrorism,” an AFGE spokesman complained.

The AFL-CIO has always delivered votes to the Democratic Party, so that the Democratic Party would deliver public-sector jobs and dues income to the labor bureaucracy. The threat that this would dry up become a matter of life and death for the AFL-CIO bureaucracy, particularly since so few private-sector workers are union members.

The last major reshuffle of the AFL-CIO hierarchy took place in 1995, shortly after the Republicans won a majority in mid-term congressional

elections, ending 40 years of Democratic control of the House of Representatives. Long-time federation president Lane Kirkland was replaced by John Sweeney, then the president of the SEIU, the union now headed by Stern. As in the present circumstances, the trade union bureaucracy reacted, not to the conditions facing the working class—the destruction of jobs and living standards and social services—but to a political debacle for the Democratic Party that threatened to undermine its lucrative relation to the capitalist state.

Though Sweeney gave lip service to making union organizing a major goal, his tenure has been marked by the abandonment of strikes and any resistance to the employers. Instead, Sweeney transformed the AFL-CIO into a virtual adjunct of the Democratic Party, spending tens of millions on “political activity” and increasing the percentage of union members who voted Democratic, while the overall number of union members continued its steady decline.

Stern’s proposals to change the AFL-CIO amount to little more than the type of restructuring plans US corporations use to streamline their operations and cut costs. These include eliminating duplication of efforts, eliminating failing unions and centralizing the organization. In that sense, he is proposing a more rational way to manage the \$6.5 billion business of the AFL-CIO. None of these proposals, however, will solve the terminal crisis of the American trade unions, because they do not address the bankrupt and outmoded character of the AFL-CIO itself.

The collapse of the American labor federation is fundamentally the result of the inability of nationally based trade union organizations to respond to the unprecedented integration of the world economy associated with the globalization of production and finance. Moreover, the steady demise of the US trade union movement has paralleled the historic decline of US industry in the world market.

During the late 1970s and 1980s—when American industries were losing market share internationally and within the US itself to competitors from Asia and Europe—the AFL-CIO bureaucracy threw in its lot with corporate America and did everything possible to suppress the resistance of US workers to wage-cutting, corporate downsizing and outsourcing to lower-wage countries.

Beginning with the air traffic controllers’ strike in 1981, the AFL-CIO isolated and betrayed hundreds of struggles against union busting, resulting in the smashing of unions and the loss of millions of unionized jobs. Between 1973 and 2001, for example, the number of unionized manufacturing jobs fell by 66 percent, while US manufacturing jobs overall fell by only 12 percent.

Though the AFL-CIO has been the most strident in sacrificing its members’ interests to the profit needs of big business, this is part of an international trend. The same process has occurred in Europe, Japan and Australia, and even in South Korea, Brazil and South Africa, which saw the explosive growth of militant trade unions in the 1980s and 1990s. Throughout the world, the trade unions have been transformed from organizations that pressured the employers for concessions to ones that compel their own members to accept ever-greater deprivations in order to attract globally mobile capital.

Stern has made some noises about organizing a “global labor movement,” and his union has launched a campaign with unions in Europe to organize Sodexo, Aramark and Compass Group, which provide food, laundry and janitorial services in sports stadiums, schools, hospital cafeterias in several countries. The labor bureaucracy, however, is thoroughly wedded to the interests of American capitalism and is incapable of, and hostile to, an international struggle by workers that would undermine its “competitiveness.”

In the end, Stern espouses the same economic nationalism and “American-first” chauvinism as his fellow union bureaucrats. Complaining about the growing presence of European service companies in the US market, Stern recently told a *New York Times* magazine

reporter, “While we were invading Iraq, the Europeans invaded us.”

Stern, an influential power broker inside the Democrats, has been deeply involved in the efforts to refurbish the badly tattered image of this big business party. In 2003, the SEIU and the American Federation of State, County and Municipal Employees (AFSCME) gave an early Democratic primary endorsement to Howard Dean, angering other AFL-CIO unions, many of which favored Congressman Richard Gephardt, a protectionist with long ties to the industrial unions.

The decision of AFSCME and SEIU to endorse Dean, whose initial popularity was based on his appeal to anti-war sentiment, reflected a sense that the pro-war, austerity policies of Gephardt, Kerry and the other establishment Democratic candidates risked further alienating workers.

Stern’s worries came out into the open again during the Democratic convention, when party officials turned the gathering into a right-wing spectacle, promoting Kerry’s military credentials and suppressing any criticism of the Bush administration. In a statement that he quickly retracted, Stern said the Democrats were a “hollow party” devoid of any ideas. He added that the cause of reforming both the Democrats and the unions might be better served if Kerry lost the election.

These criticisms, of course, did not stop Stern and the SEIU from handing over \$65 million to Kerry and providing him with thousands of full-time campaigners, as well as 50,000 union “volunteers.”

The maneuvers within the AFL-CIO mirror efforts by the Democratic Party establishment to retain influence over the tens of millions of workers who have been alienated by the party’s shift to the right. This effort includes the selection of Dean as the head of the Democratic National Committee, a move enthusiastically supported by the SEIU and a host of other unions.

However, this is nothing but window-dressing to cover up the reactionary policies that the Democrats are pursuing in defense of US imperialism’s global interests. The Democrats’ further accommodation to the Bush administration is clearly foretold in the politics of Stern himself, the former 1960s anti-war activist and member of the radical Students for a Democratic Society, who is now an advocate of privatization and free market capitalism.

This is made clear in the profile of Stern appearing in the January 30 issue of the *New York Times* magazine, where the SEIU chief attacks the Democratic Party from the right and embraces the privatization of the Social Security system and the introduction of “competition” in the public schools. In the spring, the magazine reports, Stern plans to convene “an eclectic group” of Democrats to begin outlining a new economic agenda. “We want people who might say, for example, ‘Maybe privatization isn’t such a terrible thing for people,’ even if that’s not what the Democratic Party thinks. Or, for example, ‘Wal-Mart isn’t the worst thing for the economy after all.’”

The conflict between Stern and AFL-CIO President John Sweeney came to a head in December with talk that John Wilhelm, president of the Hotel and Restaurant Employees union (HERE) and a supporter of Stern, would challenge Sweeney for the presidency of the labor federation at its convention in July.

This was the situation until early last month when Stern and his supporters suddenly announced they were folding up the New Unity Partnership (NUP)—the coalition of five unions, including the SEIU, the carpenters union, UNITE!/HERE (formed from the merger last summer of the textile and hotel workers unions), and the Laborers union—which had been formed in September 2003 to press for change in the AFL-CIO. Shortly afterward, Wilhelm denied that he was interested in challenging Sweeney for the presidency of the labor federation.

The folding up of the NUP was apparently prompted by the decision of Teamsters President James P. Hoffa to get behind many of Stern’s proposals. In December, Hoffa, whose union is synonymous with bureaucratic corruption and hostility to the rank-and-file, advanced its

own “reform” proposal, which was similar in many ways to Stern’s but included language encouraging mergers rather than mandating them. This was followed by several other unions that embraced the idea of rebating AFL-CIO dues to organizing and changing federation rules to promote realigning unions by sector.

Explaining why he dissolved the NUP, Stern said, the “Partnership itself took on another unintended symbolism, as though it were a reform caucus whose existence implied that other unions somehow did not favor bold change. As it has become clear that other major unions share our basic concerns, the Partnership became a distraction in the quest to build a unified majority within the AFL-CIO for a bold new strategy and not just cosmetic change.”

Thus Stern’s “insurgency,” which was launched with much fanfare and coverage in the national news media, came to an ignominious end. With no fundamental difference between them, the dispute concluded with a series of realignments within the labor hierarchy. The pathetic character of this whole affair underscores the fact that the coming struggles of the working class can only be successful if they bypass the rotting corpse of the AFL-CIO and reject its pro-capitalist and nationalist policies.



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