

# The split in the AFL-CIO

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A split in the AFL-CIO appears increasingly likely with the approach of the US labor federation's quadrennial convention in Chicago, set for the week of July 24.

Five unions, headed by the Service Employees International Union (SEIU), have indicated their readiness to leave the federation if their demands, which include the removal of John Sweeney as AFL-CIO president, are not met. They recently formed the "Change to Win Coalition," the first step toward setting up a rival organization.

Aligned with the SEIU are the Teamsters, the Laborers' International Union, the United Food and Commercial Workers (UFCW) and UNITE/HERE, the merged hotel and textile union. Together, these unions account for some 40 percent of the federation's 13 million members.

Major unions supporting Sweeney include the United Auto Workers, the United Steelworkers, the International Association of Machinists, the Communications Workers of America, and the American Federation of State County and Municipal Employees.

At a June 27 meeting of the AFL-CIO Executive Council, Sweeney received a vote of confidence from the presidents of all of the member unions outside of the five that are threatening to split. Following the vote, the United Brotherhood of Carpenters and Joiners, which broke from the AFL-CIO in 2001, joined the coalition of dissident unions.

The threatened breakup is the product of a protracted crisis in the official US labor movement. Decades of membership losses have drastically eroded the AFL-CIO's presence both as an economic force and a factor in American politics.

The proportion of private sector workers organized in unions is at the lowest level in more than 100 years. Meanwhile, the AFL-CIO's foothold among public sector workers is under attack by the Bush administration.

There are no principled differences between the contending factions in the AFL-CIO leadership. The SEIU is calling for the AFL-CIO to cut its budget by more than 50 percent, arguing that the funds should be used by the member unions to finance union organizing drives. Ten years ago, when Sweeney successfully challenged then-AFL-CIO President Lane Kirkland, he campaigned on a similar platform, promising to reverse the decline in union membership.

Since that time the collapse of the AFL-CIO has continued unabated. Private sector unionization dropped to 7.9 percent in 2004, down from 10.3 percent in 1995. This is the lowest private sector unionization rate since 1900, when US unions represented just 6.5 percent of the workforce. By 1905, unionization had risen to 11.1 percent, well above the 2004 figure.

Unionization in retail trade, the largest and fastest growing sector of the economy, with nearly 15 million employed, stands at just 5.8 percent overall. The current unionization rate in private sector construction stands at 14.7 percent, down from 39.5 percent in 1973. In private manufacturing, unions represent only 12.7 percent of the workforce, down from 38.9 percent in 1973. In mining, union membership stands at 11.4 percent, down from 20.6 percent two decades ago. In transportation, union membership stands at 33.2 percent, down from 49.9 percent over the same period. In telecommunications, 22.3 percent of employees are unionized, down from 55.4 percent in the early 1980s. (Statistics are taken from

Unionstats.com).

In 2004, union membership as a percentage of the total workforce declined to 12.5 percent, down from 14.9 percent in 1995. This compares with an overall unionization rate of 24.1 percent in 1979 and 35 percent in the early 1950s.

The AFL-CIO never succeeded in organizing key hi-tech industries such as computers, or establishing a major presence in large parts of the country, including the South and many of the Mountain and Plains states of the Southwest and upper-Midwest.

SEIU President Andrew Stern and his allies, such as Teamsters President James P Hoffa, have not explained how they plan to reverse the decline in membership, outside of allocating more funds for organizing.

To do so would require a serious critique of the entire perspective of the AFL-CIO. In the first place, it would mean drawing a balance sheet of the disastrous political strategy of the labor federation, which has since its founding opposed any independent political organization of the working class, and instead insisted on tying the working class to the two-party system, chiefly through support for the Democratic Party.

The unions threatening to split have avoided any discussion, let alone criticism, of the AFL-CIO's political strategy. Nor have they suggested a more militant industrial policy, or criticized the virtual abandonment by the AFL-CIO of the strike weapon. Stern and his allies have likewise eschewed any criticism of the integration of the American unions into the structure of corporate management through the corporatist policy of employee-employer "partnership."

The lack of any serious policy differences demonstrates that the conflict is an unprincipled feud between two factions of the same trade union bureaucracy—a bureaucracy that is sinking ever more deeply into crisis. This is underscored by the way the conflict is being played out: largely behind closed doors and over the heads of the union membership, not to mention the far broader ranks of workers who are outside the unions.

In none of the AFL-CIO unions do the rank-and-file workers exercise genuine democratic control. The influence of the workers over the unions' policies has been reduced to near zero amid a steady concentration of power at the top.

While the real wages of union members have stagnated or fallen, the heads of the major unions have rewarded themselves with handsome salaries, in most cases in the six-figure range, along with numerous perks and bonuses for themselves and family members. For example, SEIU President Stern, by no means the highest paid AFL-CIO bureaucrat, earned over \$230,000 in compensation in 2004, according to official reports filed with the US Department of Labor.

The leaders of both factions are all long-time officials who stood shoulder to shoulder while strikes were isolated and defeated and factories were shut down. Stern himself is a former protégé of Sweeney, who headed the SEIU before assuming the top post in the AFL-CIO.

The so-called "reform" group includes in its ranks some of the most notoriously corrupt and mafia-ridden unions in the country, such as the Teamsters and the Laborers.

## **Eroding finances and turf wars**

Financial issues are a major factor in the conflict. The collapse of the federation's dues base, the consequence of decades of betrayals by the union hierarchy, is being felt in the treasuries of the AFL-CIO and its affiliates.

Over the years, sections of the union bureaucracy have proved adept at insulating themselves financially from the impact of declining membership. Even as its dues base continued to plummet, the United Auto Workers maintained and even increased its income and net assets. It did so by forming at every level of the auto industry joint union-management committees, which provided large slush funds and new sources of income for the bureaucracy. In other cases, union officials took positions on company boards. And in virtually every union, membership dues rates were ratcheted up to help offset the decline in the number of dues-paying workers.

The growing income gap between officials and members underscores the degree to which the union apparatus has separated its interests from that of the rank-and-file.

Nevertheless, problems are mounting for the bureaucracy. In 2000, AFL-CIO headquarters had net assets of \$98.04 million. By 2004, that figure had fallen to \$92.4 million. Over the same period, income declined from \$183.9 million to \$172.0 million. (Figures taken from US Labor Department statistics). The federation's financial troubles have forced Sweeney to trim the organization's staff through layoffs.

Declining membership has forced a series of union mergers, such as the recent amalgamation of the Hotel Employees and Restaurant Employees (HERE) with the Union of Needletrades, Industrial and Textile Employees (UNITE). Both of these merged unions were themselves the product of previous mergers.

There are many factors involved in the line-up of forces in the threatened split, including, no doubt, personal grudges and careerist ambitions. However, the unions leading the opposition to Sweeney for the most part represent those areas, primarily the service sector, where membership numbers have been holding steady or even rising.

A major concern of Stern and his allies is the defense of their "turf" against encroachment by other unions. Of particular concern are attempts by the old industrial unions such as the United Auto Workers and United Steelworkers, faced with collapse of their base in manufacturing, to organize workers in the service sector. There is also a bitter jurisdictional row between the SEIU and the American Federation of State County and Municipal Employees (AFSCME), which is lined up behind Sweeney.

What neither faction can or will address are the political and historical issues underlying the collapse of the AFL-CIO, which is itself part of a worldwide phenomenon—the crisis of the old national reformist labor organizations. That is because the program of both of these bureaucratic factions is essentially identical: defense of the profit system and the American nation state. This finds its most concrete expression in the virtual integration of the AFL-CIO into the Democratic Party.

## **Fifty years since the founding of the AFL-CIO**

The threat of a split looms over a convention that was intended to celebrate the 50th anniversary of the 1955 merger of the American Federation of Labor (AFL) and the Congress of Industrial Organizations (CIO). The seeds of the present crisis were already present in the merger of the two labor federations. The founding of the AFL-CIO represented the consolidation within the unions of a right-wing bureaucratic apparatus

whose social and political physiognomy was forged by years of anti-communist red-baiting and support for the Cold War foreign policy of the American ruling elite.

The CIO had been founded only 20 years earlier in a break with the craft union-dominated AFL. In 1935, unlike 2005, there were serious policy differences behind the split in the old union federation. The AFL, headed by William Green, was openly indifferent to the masses of unskilled workers, many of whom came from first- or second-generation immigrant families, and who had flooded into the factories that sprang up in such basic industries as steel, auto, electrical and rubber.

United Mineworkers of America (UMWA) President John L Lewis, who headed one of the few mass industrial unions in the old AFL, led the drive to unionize basic industry, along with such other union leaders as Sydney Hillman of the Amalgamated Clothing Workers and David Dubinsky of the International Ladies Garment Workers Union.

When Green and the majority of craft union leaders who controlled the AFL resisted the demand for a turn to basic industry, Lewis formed a new organization in 1935, which he called the Congress of Industrial Organizations.

For decades, socialists had denounced the craft union policy of the AFL and advocated the creation of mass industrial unions. By 1935, Lewis, who was a fervent opponent of socialism, recognized that unless the established unions moved to organize the masses of workers in basic industry, the task would be carried out by other forces.

The previous year, 1934, had seen several major strikes in important industrial cities, carried out under socialist or radical leadership. In some cases, these achieved important gains for the working class, raising hopes and expectations among broad layers of the population who were suffering under the desperate conditions of the Depression.

In one of the most important actions, truck drivers in Minneapolis, under the leadership of the Communist League of American, then the Trotskyist movement in the United States, led a series of strikes in 1934 that helped transform the Teamsters from a small craft union into a mass industrial organization.

In Toledo, workers struck Electric Auto-Lite. Supported by the local Unemployed League, they fought off attacks by police and National Guard troops to win a significant victory. In San Francisco, longshoremen spearheaded a citywide general strike.

The launching of the CIO set in motion an explosive wave of struggles by industrial workers. Socialist-minded workers were the most effective rank-and-file leaders, playing critical roles in such struggles as the Flint sit-down strike in the winter of 1936-37. These struggles at times assumed a semi-insurrectionary character. Workers in many industries seized and occupied factories to demand union recognition and wage increases.

By September 1937, the CIO had a membership of some 3,700,000, compared to just 900,000 at its founding in 1935. However, this insurgent movement quickly ran up against the limits imposed by the pro-capitalist politics of its leadership.

From the beginning, the leadership of the CIO remained in the thrall of Franklin Roosevelt and the Democratic Party. The CIO subordinated the struggle to organize workers to its alliance with the Democrats, always seeking to limit the demands of workers to what was acceptable to the liberal political representatives of Wall Street. Despite widespread sentiment in the working class for a break with the two capitalist parties and the building of a labor party, the CIO leadership opposed any such development.

## **Independent political struggle**

What the explosive emergence of the CIO posed before the American working class was the need to take the road of independent political struggle.

In a discussion with leaders of the American Trotskyist movement, Leon Trotsky, co-leader of the Russian Revolution, then in exile in Mexico, insisted on the need for the American working class to break with the two-party system and construct its own party. To concretize this task he proposed raising the demand for the construction of a labor party.

Trotsky proposed that the call for a labor party be linked with a program of transitional and socialist demands. In that way, the most advanced workers could be politically clarified and won to a socialist perspective.

Lewis and other CIO leaders opposed the formation of a labor party, despite the idea's growing popularity. While Lewis was willing to conduct strikes in defiance of Roosevelt, he refused to call for a political break with the two-party system. In this way Lewis helped divert the militancy of the working class away from a political struggle against the capitalist social order into trade union action limited to bread-and-butter economic issues.

In opposing the demand for a labor party, the CIO had the support of the American Communist Party, which was lined up behind the Stalinist bureaucracy which had consolidated power in the Soviet Union and purged the socialist elements who remained true to the perspective of socialist internationalism—the program that had guided the Bolshevik Party in the Russian Revolution of 1917. The American CP wielded considerable influence in a number of important CIO unions. In line with the popular front policy dictated by the Kremlin, the US Stalinists supported an alliance with Roosevelt.

This had significant consequences. Even at the height of its power, in the period immediately following World War II, the CIO was unable to organize the American South. Success would have required a struggle against Jim Crow segregation. However, because of its refusal to break with the Democratic Party, the CIO was unwilling and unable to mount such a challenge, in large part because the Democratic Party controlled state administrations in the South which based themselves on the brazen defense of white supremacy.

## **Post war strike wave**

Following World War II, the largest strike wave in US history erupted. The US ruling class responded to this movement of the working class by granting significant economic concessions. American capitalism was able to afford this reformist policy because of its unchallenged position of world economic dominance.

At the same time, in response to the threat of social revolution in Europe, Asia and other areas critical to its global interests, the US launched the Cold War. This entailed a political and ideological assault aimed at neutering the US labor movement by driving out socialists and radicals, and extending the purge to cultural and intellectual institutions.

The CIO leadership joined in the red-baiting hysteria of the McCarthy period, helping the government by fingering militants, thus further consolidating the domination of the most right-wing elements within the union bureaucracy. Many of the workers and union officials targeted in the witch-hunts had been leaders and initiators of the militant struggles of the 1930s and early 1940s.

The reunification in 1955 of the CIO and the AFL signified the agreement of the two union federations on basic issues. The merger effected by CIO President Walter Reuther and AFL President George Meany officially tied the American labor movement to a program of class collaboration, nationalism and anti-communism.

For a period of time, the AFL-CIO was able to win substantial improvements for its members. The economic boom and the continued world dominance of US industry permitted concessions to be granted to the working class, a policy that was supported by a consensus, but by no means an unchallenged one, within the ruling elite.

In effect, the American labor movement made a devil's bargain. In exchange for increases in the wages and benefits of unionized workers, the corporations obtained the services of the AFL-CIO in holding in check the militancy of the working class, and diverting it into channels harmless to the basic interests of corporate America. These policies helped erode the class consciousness of the American working class, undermining its ability to hold onto the gains it had won.

Working in the favor of the AFL-CIO was the continued predominance of nationally-based industrial production. The union leadership could count on the fact that American corporations had to rely on a labor market defined by the borders of the United States. Under these conditions, strike action, or even the threat of a strike, could exert pressure on business.

While many commentators interpreted the formation of the AFL-CIO as a sign of strength, the 1955 merger was an expression of a movement already in crisis and decline. Even in the relatively favorable period of the late 1950s and early 1960s, union membership as a percentage of the workforce fell year after year.

## **US economic superiority challenged**

Once American industry came under growing pressure from international rivals, primarily Germany and Japan, and US industry's control even of American markets began to erode, especially in the late 1960s and 1970s, the entire perspective of the AFL-CIO began to collapse.

In the 1970s, leading unions in the AFL-CIO, especially the United Auto Workers, began to turn to a policy of corporatism, lining up with the government and the employers to increase the competitiveness of US industry by lowering production costs, at the expense of jobs, wages and working conditions.

This set the stage for a major shift in ruling class policy from one of relative class compromise to a concerted offensive against the working class. Ronald Reagan's firing of the striking air traffic controllers in 1981 marked the direct state sponsorship of union-busting, a development for which the AFL-CIO had left American workers totally unprepared.

The AFL-CIO refused to defend the air traffic controllers because any serious industrial mobilization would have immediately brought it into open political conflict with the American government. This is the last thing the AFL-CIO bureaucracy wanted. The union leadership had already, under the previous administration of Democrat Jimmy Carter, initiated a policy of direct collaboration with the government and employers to impose plant closures, mass layoffs and pay cuts, as in the Chrysler bailout of 1979.

However, the working class, both in the US and internationally, responded immediately and powerfully to Reagan's firing of the PATCO controllers. Controllers in Canada took action in solidarity with their US counterparts, and a call for strike action in the US would have found an enormous response, as shown by the massive Solidarity Day demonstration held in September of 1981 in Washington DC.

Had the AFL-CIO chosen to mobilize this support to defend the PATCO controllers, the Reagan administration would have been rocked to its foundations. Instead, the AFL-CIO abandoned the controllers and stood by while the government jailed PATCO leaders, permanently fired thousands of workers, and destroyed the union.

The pattern was repeated throughout the 1980s, as the AFL-CIO isolated and undermined a whole series of bitter strikes against wage-cutting and union-busting. At Greyhound, A.T. Massey coal, Phelps Dodge copper, Hormel meatpacking, Wheeling Pittsburgh steel, Continental Airlines, and dozens of other companies, workers were arrested, framed up, given long prison sentences, and even killed on the picket line. In no case did the AFL-CIO attempt to defend victimized workers or mobilize wider sections of workers against the attacks.

The AFL-CIO's collaboration with corporate union-busting was part of a broader policy of helping US capitalism restructure basic industry at the expense of the working class. The unions assisted in increasing profitability through the slashing of wages, the imposition of speed-up and the elimination of millions of jobs. The bureaucracy justified these sacrifices on the grounds that American workers had to help US business compete with its foreign rivals. The policy of concessions went hand in hand with the promotion of hatred against workers overseas, who were blamed for taking American jobs.

By the end of the 1980s, the AFL-CIO was little more than a hollow shell. In so far as it retained a base in the working class, it was largely among older workers. Having beat down militancy and alienated millions of workers through its betrayals, the AFL-CIO continued to exist only at the sufferance of big business, which still saw some use in the union apparatus as an auxiliary instrument against the working class.

The election of the Democratic Clinton administration in 1992 did nothing to revive the AFL-CIO. Instead, it marked the start of an orgy of corporate criminality, surpassing even the days of the robber barons. The gap separating rich and poor grew to its widest levels since the 1930s. While living standards for the vast majority stagnated, the wealthiest one percent saw an enormous increase in its share of the wealth.

The degeneration of the AFL-CIO has run parallel with the decline of unions all over the world. This is not only, or even primarily, the product of bad leaders and mistaken tactics. Trade unionism is inherently limited by its acceptance of capitalism and the system of wage labor. At their best, the unions strive to return to workers the market value of their labor power. Historically, trade unions have always had an ambivalent attitude toward the class struggle.

The globalization of production has magnified the tendencies toward class collaboration within the unions to the point where they have ceased to function as organizations of the working class. Their response to the rise of transnational corporations and the consequent undermining of the national labor market is to abandon even a limited defensive role. Instead of pressuring corporations to raise wages, they seek to pressure the workers to accept cuts in wages and benefits in order to attract big investors and corporations that scour the globe for cheap labor.

### **Historical and political lessons must be drawn**

Over the decades American working class has exerted enormous energy and made many sacrifices attempting to defend and improve its jobs and living standards through the medium of the trade unions. All these efforts have been thwarted by the inherent limitations imposed by the nationalist and reformist orientation of the AFL-CIO.

It is time to draw the lessons of these bitter experiences. The AFL-CIO cannot be "reformed" or pressured to act in the interests of the working class. Even more sharply than in 1935, the need for the construction of new organizations is on the agenda. This time, however, the working class must take the step that it was blocked from carrying out in the 1930s—the construction of its own political party.

All of the issues facing working people—jobs, wages, working

conditions, pensions, health care, education, democratic rights, the fight against war—are political questions. They cannot be addressed simply on the level of trade union action. They require the building of a mass, independent political movement of the working class armed with a program that articulates the needs of workers, rather than the interests of the financial oligarchy—that is, a socialist program.

It is necessary to discard the idea that workers must subordinate their needs to the demands of the capitalist market. Rather, the working class must demand the subordination of social production to the satisfaction of human needs.

Only through the building of such a political movement can new, militant and democratic organs of economic struggle—in the factories, work locations and in working class communities—be forged.

Given the global character of capitalism, the fight against the profit system is inseparable from the fight for the international unity of the working class. That unity can be established only on the basis of the political independence of the working class from all parties and politicians that defend the profit system.



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