

## I N T R O D U C T I O N

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**T**O UNDERSTAND the great contradiction that stands at the heart of American democracy today, stop by your local fast-food restaurant next time the craving moves you. At Burger King I enjoyed one of the combo specials. Then I picked up an employment application.

The first thing to note is right at the top. Under the heading “Equal Employment Opportunity Employer” is a bold and forthright assertion that: “Employer does not discriminate in employment because of race, color, sex, religion, national origin, age, disability, marital status, or liability for service in the armed forces of the United States.”<sup>1</sup>

This statement is on the Burger King application for two reasons. First, it is the law of the land. In 1964, after demonstrations, marches, sit-ins, speeches, elections, and much lobbying, Congress passed the 1964 Civil Rights Act, which outlawed job discrimination on the basis of race, creed, religion, or sex. Thereafter, the Congress passed and presidents of both parties signed additional statutory legislation safeguarding equitable treatment regardless of age or disability. Laws were also enacted that were designed to generate rights to a healthy workplace, a financially secure pension, and time off to have a child or take care of a sick relative.

But there is a second reason why Burger King management has put the federal Equal Employment Opportunity Commission (EEOC) statement at the very top of the application. Americans consider workplace discrimination on the basis of race and religion and creed un-American. For nearly a third of a century we have had a national debate over the definition of such discrimination and the remedies

that are useful and legal to eliminate it. But there is practically no debate about the need to stop it and compensate individuals for it, when discovered. The overwhelming majority of workers, employers, and politicians believe that the government has a right to insist that active discrimination not take place against anyone covered by Title VII of the 1964 Civil Rights Act or those many statutes that followed in its train. This seems so commonplace and commonsensible, that we forget the radical character of this law. If you own a restaurant or a factory or a motel or run a college, you can't make use of your property as you wish. The state mandates you to hire, fire, promote, and otherwise deal with your employees or clients according to a set of rules laid down in Washington and refined by the EEOC and the courts. If litigated, the courts will force an employer to pay real money in compensation and rehire or promote a worker if management is found to have transgressed this new kind of labor law.

The overwhelming legitimacy of such antidiscrimination law is attested to by the fact that workers file about 100,000 cases a year with the EEOC. There have been scores of books and hundreds of articles written attacking affirmative action, but few journalists, academics, or politicians question equal-employment law *per se*. Big business, and this includes the fast-food industry, is an advocate of "diversity" in hiring and promotion and it does not campaign for an elimination of the statutory employment rights enacted over the last third of a century. Indeed, it celebrates them, and when a large corporation like Texaco, Denny's, Shoney's, or Mitsubishi is found in noncompliance, millions of dollars are quickly spent to rectify the situation.<sup>2</sup>

Now let's return to our Burger King application. On the bottom of the flip side one will find a bit of language at the very end that requires some decoding. It says: "I understand and agree that if I should become employed by the Franchisee, I will have the right to terminate my employment at any time for any reason, or for no reason. I further agree that the Franchisee shall have the same right to terminate my employment. My employment at-will status cannot be modified unless such modification is set forth in writing in a document signed by both me and an officer or owner of the Franchisee."<sup>3</sup>

What's all this? Well, this boilerplate encapsulates the history of Anglo-American labor relations going back for more than a century.

Pre–New Deal labor law asserted that an employer is entitled to dismiss an employee “at will . . . for good cause, no cause or even for cause morally wrong, without thereby being guilty of legal wrong.”<sup>4</sup> For a time, the Wagner Act and other New Deal labor laws seemed to offer a quite different model encouraging unions and collective bargaining, but the legal and moral eclipse of such an employment relationship is clearly embedded in the language of the Burger King application. In theory a worker can form a union and sign a “collective contract” at Burger King, but it is certain that management there will resist signing such an agreement with all the resources—the money, lawyers, personnel experts, and public relations—available to a multi-billion-dollar company in the United States. McDonald’s, Wendy’s, Taco Bell, along with Kmart, Wal-Mart, and Pizza Hut, do not recognize unions or sign collective-bargaining contracts. They would rather shut down the franchise than break precedent. They even shut down stores in Canada and Denmark, where the law is more liberal and the union movement stronger. They pay low wages and provide few benefits: as a consequence, the skill and education level is low, turnover extraordinarily high. Of course fast-food workers are not the only ones who face such managerial hostility. At the dawn of the twenty-first century, a full generation after the triumph of the civil rights movement, 90 percent of all private-sector workers in the United States are employed under at-will doctrines.

The problem facing American workers, the issue that puts a question mark on the democratic character of our polity, is summed up by the dichotomy sketched out here. In the last forty years a transformation in law, custom, and ideology has made a once radical demand for racial and gender equality into an elemental code of conduct. This is unquestionably one of the great steps forward in U.S. politics and workplace culture. But during that same era, the rights of workers, as workers, and especially as workers acting in an autonomous, collective fashion, have moved well into the shadows. The law, the managerial ethos, the opinion-forming pundits, indeed many workers themselves, have marginalized and ridiculed the idea that democratic norms should govern the workplace. Little in American culture, politics, or business encourages the institutionalization of a collective employee voice.

4 ——— INTRODUCTION

Managers who slash payrolls and break unions are subject to remarkably little public opprobrium, certainly not enough to modify their behavior very much. As one employment rights attorney put it with a certain irony, “It’s a hell of a lot easier to get \$100,000” for an individual client “than to get five cents an hour for blue collar workers.” In 1997 the median jury award in employment bias and sexual harassment cases was \$250,000, but payments to workers for violation of the other labor laws, the ones that protect workers against discrimination for trying to form a union or protest violations of the health, safety, and minimum wage laws were small, tardy, and paid, if at all, in the most grudging fashion.<sup>5</sup>

This book explains why the bifurcation sketched above has not always been so dramatic, and why the democratization of the work place, the solidarity of labor, and the social betterment of American workers once stood far closer to the center of the nation’s political and moral consciousness. We start in the Progressive era when these issues were often bundled together as “the labor question.” Even before the nation’s most massive, sustained strike wave convulsed every industrial district in 1919, President Woodrow Wilson cabled Congress from Versailles:

The question which stands at the front of all others amidst the present great awakening is the question of labor . . . how are the men and women who do the daily labor of the world to obtain progressive improvement in the conditions of their labor, to be made happier, and to be served better by the communities and the industries which their labor sustains and advances. . . . The object of all reform in this essential matter must be the genuine democratization of industry, based upon a full recognition of the right of those who work, in whatever rank, to participate in some organic way in every decision which directly affects their welfare.<sup>6</sup>

Wilson’s understanding of the American labor question arose out of the dilemma generated by the emergence of industrial capitalism itself. How could the nation sustain a democratic citizenship in an era when the rise of both giant corporations and a laissez-faire orthodoxy in the labor market seemed to challenge so many of the values and institutions that Progressives thought essential to the mainte-

nance of a democratic polity. The issue became acute in the era of the Bolshevik Revolution, when a radical, thoroughly antiliberal resolution to the conflict between capital and labor seemed on offer. From the Wilsonian perspective, of course, this revolutionary answer to the crisis of bourgeois legitimacy required a vigorous liberal response, briefly evident in the U.S. program of diplomatic and social reformism during World War I and its immediate aftermath.<sup>7</sup>

From the perspective of the labor movement itself, the Progressive-era labor question had two longstanding elements. By the turn of the twentieth century even the most ideologically adventuresome radicals had come to terms with the reality, and the necessity, of wage labor. If the values of a producer's republic still commanded near-universal respect, the task before Progressive-era laborites was to translate those virtues onto the modern industrial terrain. Thus unionists thought the price employers paid for their labor must still be infused with a political and moral value standing at odds to that of the free-market conservatives who calculated labor's reward as entirely dependent on the natural laws of supply and demand.

In the lexicon of their day, unionists and their progressive allies wanted "a living wage" sufficient to sustain a working-class family in dignity and comfort. The living wage idea was itself often shot through with patriarchal and racist assumptions, but it nevertheless generated a radical critique of the capitalist marketplace. The labor movement's critique of "wage slavery" therefore embodied not just a derogatory comparison between white and black labor, but the promise that good wages would generate the conditions necessary for industrial freedom itself.<sup>8</sup> As the eight-hour crusader Ira Steward put it in 1879, "when the working classes are denied everything but the barest necessities of life, they have no decent use for liberty." Twenty-three years later, the Anthracite Coal Commission, the protocorporatist model for a later generation of governmental commissions, boards, and institutions designed to ameliorate class conflict, declared that the maintenance of a "self-governing republic" itself required that "all American wage earners have a fundamental economic right to at least a living wage, or an American Standard of living." A new era of high-wage consumption bred not apolitical disinterest, but engaged citizenship and a potent working-class voice in the affairs of

the day. John Mitchell, the mine union leader, called such a living, nonmarket wage the “second emancipation.”<sup>9</sup>

But neither man nor woman lives by bread alone. With the rise of big business late in the nineteenth century, the dichotomy between the rights and privileges of citizenship and the power of concentrated capital became the very essence of the “labor question.” During the crisis-plagued second industrial revolution—the epoch of economic instability, corporate mergers, and mass strikes—working-class radicals won a wide audience when they called for an extension into the realm of production and the sphere of the market the basic civil and political rights embedded in the Constitution and its post-Civil War amendments. The labor movement, Henry Demarest Lloyd told an 1893 labor assembly, has a definite, clearly defined mission. It seeks “to extend into industry the brotherhood already recognized in politics and religion, and to teach men as workers the love and equality which they profess as citizens and worshippers.” Reformers called this idea “industrial democracy.”<sup>10</sup>

This was not the same thing as socialism, which was predicated on the collective ownership of the means of production; nor was it simply an updated version of the nineteenth-century republican tradition, which celebrated the artisan craftsman of “manly bearing” and looked with some suspicion on those with lesser skill and independence. Rather, the advocates of industrial democracy saw the new system as the next stage in the evolution of American freedom. This Progressive-era impulse took the large industrial enterprise for granted as the basic building block of the new commonweal and looked for a solution to problems of authority, equality, motivation, and efficiency through its reorganization and democratization. To these reformers and unionists, industrial democracy certainly meant much more than mere collective bargaining, championed by the seemingly parochial craft unions of the era.<sup>11</sup>

Louis Brandeis made this clear in 1915 when he told a progressive audience crowding into Faneuil Hall that the task of the hour was the translation, under twentieth-century social and economic conditions, of those eighteenth-century “rights which our Constitution guarantees—the rights to life, liberty and the pursuit of happiness.” All Americans, argued Brandeis, “must have a reasonable income”

and regular employment: “they must have health and leisure,” decent “working conditions,” and “some system of social insurance.” However, the “essentials of American citizenship” were not simply material. There could be no more “political democracy” in contemporary America, Brandeis told the U.S. Industrial Commission that same year, without an “industrial democracy,” that gave workers an actual participation in the governance of the firms for which they worked.<sup>12</sup>

World War I and the social turmoil of its immediate aftermath briefly tripled the size of the union movement and generated a wave of institutional experimentation that included government arbitration, works councils, employer representation plans, producer cooperatives, and nationalization schemes for industry. William Leiserson, then an arbitrator in the men’s clothing industry, thought all this was evidence for the growth of “constitutional government in American industries.” William Forbath, a contemporary legal historian, has labeled this expansive Progressive-era impulse “democratic constitutionalism.”<sup>13</sup> But whatever the nomenclature, all such reforms were buoyed by the Wilsonian rhetoric, as well as the war-era mobilization requirements, that sought to give a tangible reality to ideas of self-determination, democracy, and curbs on the power of industrial management. “Political Democracy is an illusion,” asserted Frank Walsh, the progressive cochair of the National War Labor Board, “unless builded upon and guaranteed by a free and virile Industrial Democracy.”<sup>14</sup>

Thus in an era when sauerkraut became “liberty cabbage,” it was not difficult to put warfare-state patriotism at the service of militant unionism. Bridgeport machinists denounced Remington Arms as “The American Junkers” while the steelworkers of Birmingham called the Tennessee Coal and Iron Company the “Kaiser of Industrial America.” Unionists in Akron distributed leaflets reading: “Wake Up! Machine Shop Workers, Wake Up! Uncle Sam proclaimed to the World that the freedom and democracy we are fighting for shall be practiced in the Industries of America.” Likewise, cigar makers demanded “self-government in the workshop . . . part of the democracy for which our arms are fighting in France.” Rhetoric attacking “Prussian management” had a particular appeal to the new generation of women workers, now heavily represented among semi-skilled factory operatives. Unlike traditional unionism—so often



Government production propaganda during World War I held out the promise of citizenship and industrial democracy for millions of immigrant workers. (Courtesy Joe McCartin)

identified with bitter strikes, craft pride, and male exclusiveness—the more expansive demand for “industrial democracy” legitimized a more inclusive, female-friendly sense of patriotic participation and equal citizenship.<sup>15</sup>

The experience of the Great War produced a generation of unionists, managers, and governmental experts who would later play decisive roles in erecting the New Deal version of industrial democracy. These eighteen months of hectic mobilization in 1917 and 1918 were a dress rehearsal for the wave of state building and social mobilization that would characterize Franklin Roosevelt’s New Deal. Had World War I lasted longer, or the Wilson administration been more resolute, labor more unified, or big capital less antagonistic, a model of industrial democracy generated during this crisis might well have put in place a more permanent institutional legacy. But the monumental postwar strike wave—the largest in the history of the republic—collapsed in anger and repression. America’s labor question remained unresolved, even exacerbated, because neither the labor movement nor the state, not to mention industrial management itself, generated the kind of relationships, in law, ideology, or practice, necessary to institutionalize mass unionism and sustain working-class living standards during the next decade.<sup>16</sup>

To many unionists, the quest for a living wage and the struggle for industrial democracy may well have defined just about the entire “labor question.” But for most Progressive reformers, in the labor movement and out, this struggle was embedded within, and could hardly be distinguished from, a more pervasive “social question.” As historian Alan Dawley once put it, “progressive reformers were ‘social’-ists.” Most grasped that society was an organic whole and most believed that government regulation of predatory private interests—or “capitalism” for those of a more systematic ideological outlook—was essential for the sake of a larger, more harmonious public interest. Poverty, inequality, sexual degradation, and industrial violence were linked social maladies, ameliorable, if not completely solvable through state action.<sup>17</sup>

Florence Kelley, the pioneering Chicago reformer whose European sojourn had schooled her in continental Marxism, sought to enlist a weak and reluctant regulatory state to advance the living standard for

that portion of the working class—chiefly urban immigrant women and their offspring—who were neglected by the unions and subject to predatory exploitation in the labor market. As the brilliant strategist for the National Consumers League, Kelley was an indefatigable crusader against the twelve-hour day in the steel mills, child labor in textile mills, and starvation wages for women home workers. And she understood how a newly intrusive state could be deployed in this societywide class struggle. “The factory inspector enforces the law for the worker against the capitalist,” she wrote in 1890. “The militia-man shoots down the worker by command of the capitalist. It is characteristic of the present status of the forces engaged on each side, that there are hundreds of thousands of militia and less than fifty factory inspectors in the United States today.”<sup>18</sup>

Given the patriarchal assumptions of the Progressive years, reformers often found that a nascent “welfare state” could most easily be built if it were especially beneficial for mothers and children. This was certainly the perspective of many reformers, like those supporting the American Association for Labor Legislation or the movements for homework prohibition and mothers’ pensions. They looked to Bismarck’s Germany or to the Fabians of Great Britain for guidance and inspiration; and they won a signal, if temporary, victory in 1908 when the Supreme Court ruled, in *Muller vs. Oregon*, that state laws “protecting” women workers were constitutional because “a proper discharge of her maternal functions—having in view not merely her own health, but the well-being of the race—justify legislation to protect her from the greed as well as the passion of man.”<sup>19</sup>

But such “maternalism” does not fully explain the evolution of American social provision during the first third of the twentieth century. A more inclusive and precise way of thinking about the meaning of Progressive reform and its impact on the labor movement is to see it as a multifaceted effort to raise the “social wage,” that portion of the working class standard of living that did not derive from wages or from corporate beneficence. This social wage includes monetary entitlements such as pensions, unemployment insurance, and workman’s compensation, but it also embodies a more far-ranging set of institutions: public education, city parks, mandated vacations, municipal services, health and safety regulations, minimum wage, child la-

bor, and women's protective laws. In our own day, elements of such a social wage include government-funded health insurance, legal services for the poor, public housing, subsidized mass transit, and what was until 1996 a federal entitlement, Aid to Families with Dependent Children. As Gosta Esping Andersen defines it, the social wage "decommodifies" social protection, thus representing that "share of the nation's resources that is distributed according to social rather than market criteria."<sup>20</sup>

In the Progressive era and afterward, women have been the most active and farsighted of those reformers seeking to raise the American social wage. Accommodating themselves to a sense of women's innate gender "difference," late nineteenth-century women reformers saw the amelioration of urban poverty as but an expansion of "women's sphere," an exercise in "social housekeeping," while advocates of protective legislation invoked the special needs of women as "the mother of the race."<sup>21</sup> But in practice such maternalism was but a step removed from a systematic social democracy, that class-oriented reformism that seeks to make use of the state regulatory power to strengthen working-class institutions and living conditions. By 1912, perhaps the apex of Progressive reform, some thirty-eight states had passed child-labor laws and twenty-eight set maximum hours for women workers. Men benefited as well: workers' compensation laws were on the books in almost all states outside of the South, while in more than half of all jurisdictions laws were passed that limited the working hours of some categories of male workers.<sup>22</sup>

Unfortunately, the tawdriness of the American "social wage," in the Progressive era and afterward, has long been overdetermined. Well into the twentieth century the administrative state in the United States has been weak and fragmented; Southern congressmen wielded an effective national veto, while a remarkably powerful judiciary sympathetically accommodated the prerogatives of property and the *laissez-faire* ideology that sustained them. The courts declared many of the Progressive era laws invalid. In response, the labor movement adopted an extreme form of "voluntarism" that rejected efforts to raise the social wage, at least insofar as American-born, white, male workers were concerned.<sup>23</sup> The syndicalist left saw the state as an apparatus of repression, while official labor, which was just

as antistatist, feared that any efforts to decommodify the wage relation would undermine the autonomy of the unions and sap the loyalty of their members. “Compulsory unemployment insurance,” asserted AFL President William Green during the early months of the Great Depression, is “a union wrecking agency.”<sup>24</sup> Meanwhile, this entire social discourse, whether that of reactionary judges, militant unionists, or social feminists, was saturated with a set of patriarchal assumptions and racial constructs that radically distorted efforts to think about the relationship between the labor question and the social wage in a fashion recognizable by reformers and unionists of a later day.

**T**HIS BOOK IS ABOUT trade unions and their relationship to the meaning and resolution of the “labor question” outlined above. It takes at face value the definition of the question as put forward by the main body of Progressives, for they were the first generation of reformers to confront a capitalist economy whose ever-shifting technological reconfigurations cannot obscure its relentless capacity to reproduce inequalities of power and income. It tries to put the fate of the labor movement in this broader context so as to explore the extent to which institutional trade unionism has itself offered working-class Americans a road forward to higher wages, industrial democracy, and a generous social wage.

The narrative is a difficult one, and yet all the more interesting, because during the middle decades of the twentieth century the “labor question” seemed on its way, if not to resolution, then to a well-constrained manageability. In the two decades following 1933, American trade unions reached their twentieth-century apogee, whether measured by organizing success, economic power, or political influence. But these were also the years, as Steve Fraser has pointed out, when the potency of old labor question “receded like some faint echo from the distant political past.” By the time of Franklin Roosevelt’s death in 1945, organized labor was big and its power controversial. However, few in politics or social theory would then have argued that labor’s status constituted the central dilemma of the social order,

what Louis Brandeis had once called the “the paramount economic question in this country.”<sup>25</sup>

The eclipse of the “labor question” seems well deserved when we glance at the social and legal history of the midcentury decades. The labor-law reforms of the New Deal era, the size and permanency of the unions, and the active interventions of the federal government regularized the conflict between capital and labor. These New Deal developments seemed to promise that the quest for an American “industrial democracy” had finally transmuted itself into a branch of social administration in which “collective bargaining,” “industrial relations,” and “personnel management” were carefully monitored by academic, administrative, and judicial experts. Strikes became routine and industrial violence infrequent (or at least well hidden).<sup>26</sup>

Meanwhile, working-class living standards doubled during the single generation following World War II (1947–73), and unemployment dropped to levels well below that of the first half of the century. Equally impressive, the social wage took a quantum leap upward, in both its quality and coverage of the employed population. As the unions became mass organizations linked to the Democratic Party, they cast off the antiquated voluntarism of the craft tradition and became partisans of wage and hour laws, Old Age Insurance, unemployment compensation, AFDC, publicly financed health insurance, and other components of the welfare state. Initially, African Americans had been excluded from much benefit coverage, but the civil rights revolution of the 1960s finally brought them within the New Deal fold. Meanwhile, most big corporations followed along with their own private version of the public welfare state, if only to avoid unionism, or just retain the productive loyalty of their workers.

But the “labor question” did not vanish, and it came roaring back at the end of the 20th century. Tepid productivity growth, decades of wage stagnation, job insecurity, stressful work, and a dramatic decline in union strength demonstrate that the issues that once confronted Woodrow Wilson and Louis Brandeis are with us still. During the long economic recovery that characterized the 1990s, the U.S. economy grew by almost 3 percent each year, but for most of that era the median income of American households suffered a continuous annual decline. Thus, by the turn of the millennium, real household income

for young families (breadwinners under age thirty) stood at one-third less than their counterparts in 1973, even though their total working hours were longer and the educational level of the head of household higher than a generation before. In the first years of the new century median wages and family incomes were still below their 1989 level.<sup>27</sup>

Meanwhile, U.S. workers find that they hold a dubious world-class distinction: while working hours in all other large industrial countries are falling, Americans have now moved into first place—and surpassed the Japanese—in terms of the number of hours worked each year. During the last two decades the parents in a typical middle-class family increased their work time by about 10 percent. The pervasive midcentury expectation—that “labor-saving” technological innovations would generate leisured abundance—has evaporated in a world where productive, computerized Americans work two hundred hours per year more than the nearby Canadians, nearly four hundred above that of the industrious Germans.<sup>28</sup>

During the Progressive-era presidencies of Theodore Roosevelt and Woodrow Wilson, the growth of inequality between the new class of corporate rich and the mass of insecure wage earners seemed fraught with societal danger. When the *Titanic* sank in 1912 many saw the tragedy as a metaphor for the fate of a class-stratified capitalism. Indeed, the survival of so many upper-class passengers seemed a shameful indictment of the new inequality. Today, such class hierarchies have returned in an equally ugly fashion. Inequalities of wealth, income, and social security have returned to a pre-New Deal configuration. The U.S. income pyramid resembles that of Brazil more than it does that of Germany, Japan, or Italy. In 1965 the average chief executive made forty-four times the pay of a typical factory worker. At the turn of the millennium, that same CEO earned between three hundred and four hundred times the wages of a blue-collar operative or a clerical assigned to routine office work.<sup>29</sup>

Indeed, for many Americans hard, steady work has not generated a rising standard of living. The two largest private employers in the United States are Manpower, Inc., a temporary employment agency, and Wal-Mart, most of whose 750,000 “associates” have no choice but to work part-time at pay levels a dollar or two above minimum wage. Four out of five households take home a thinner slice of the

economic pie than they did a quarter century before. Even in the booming 1990s, full-time, year-round work did not reduce poverty among the lowest-paid workers. In California's Silicon Valley, then world capitalism's innovative epicenter, real wages actually fell for the bottom third of all wage workers.<sup>30</sup>

This inequality is compounded by a remarkable assault on the social wage, that set of nonmonetary entitlements and institutions incrementally advanced by every generation of social reformers since Jane Addams and Florence Kelley fought for more parks, schools, and other social services in the Chicago slums. During the last quarter century, public education, unemployment benefits, employment-based health insurance, the "welfare" entitlement for dependent children, and Medicare have come into question and under attack. And even Social Security (Old Age Insurance), the crown jewel of New Deal era social provision, has become subject to a coordinated critique that almost surely will insert into this system an element of market-based "privatization." Although such social wage institutions have periodically faced fiscal shortfalls requiring their reorganization and reform, the dynamic eroding America's late-twentieth-century system of social provision has been far more ideological than budgetary. This is a function of the decline in the idea of social solidarity, of a virtuous public sphere, and of the will of the government to ameliorate the raw economic forces structuring the labor market.

Indeed, most governmental efforts to spark real wage growth and negotiate a consensual reform of the American workplace have come to a virtual impasse during the last few years, even when backed by influential corporate executives, top trade unionists, numerous elected officials, and the White House. During the first two years of the Clinton administration a remarkably ambitious set of reforms were put in play, but almost every initiative collapsed in the face of internal division and paralyzing opposition. Programs to stimulate school-to-work transitions, infrastructure construction, on-the-job training, and strategic industrial planning floundered during the early years of the administration even as it commanded Democratic majorities in both houses of Congress.

The failure of an elaborately crafted health-security initiative proved particularly devastating, for this program was one of the most

ambitious and long-overdue pieces of social legislation put on the national agenda since the New Deal. Although the Clintons and their many advisers sought to orchestrate a grand compromise that would accommodate the divergent interests of just about every player in the health-care political economy, their effort collapsed in such a dramatic fashion that it threatened Social Security, undermined Aid to Families with Dependent Children, and put in jeopardy other venerable bulwarks of the American welfare state.<sup>31</sup> Shaken by these defeats, the Clinton administration soon de-emphasized the growth of wage inequality, the stagnation of living standards, and the need for a creative reform of the workplace, which had been important themes during much of the first term. Once again the labor question seemed to vanish from the social agenda.<sup>32</sup>

This eclipse has had many authors, but the key to them all is the unprecedented weakness of the American trade union movement. Its demise over the past quarter century is now a dismal and oft-told story, but the statistical record bears another brief review. At the onset of the twenty-first century, the 16 million organized workers represent 13.5 percent of the entire workforce; in the private sector, only 9 percent. This means that unions in the United States represent a lower proportion of all workers than in any other industrial democracy in the world. If 1953 is taken as the proportional apogee of U.S. trade unionism in the twentieth century, then organized labor is only one-third as strong today as it was forty years ago, only a quarter as strong in the private sector. In no industry does the trade union movement represent even half of all employees: even in the automobile industry, once the flagship of American labor, the parts sector is more than 80 percent non-union, while most of the German and Japanese transplants are also unorganized. Given such weakness, unionists have shelved the strike weapon. In 1999 there were only thirty-five strikes involving more than one thousand workers; twenty-five years before, there had been ten times as many.<sup>33</sup>

Not unexpectedly, the contemporary union movement has had a particularly difficult time reestablishing a sense of legitimacy and functionality within both the larger political economy and the micro-social world of workplace governance. Laborite economists such as Richard Freedman and Barry Bluestone, as well as most trade union

leaders, have argued that unionism generates positive employment effects: lowering quit rates, raising job tenure, increasing productivity and skill levels. But this argument has won little assent in the corporate world, perhaps not unexpectedly at a time when many managers celebrate the “virtual corporation” and declare that a sense of contingent and temporary attachment to the firm represents the most technologically congruent, culturally sophisticated industrial relations policy. Management efforts to avoid or eliminate trade unionism hardly weakened as the Republican 1980s gave way to a new decade and a new administration. Long, bitter disputes at the *Detroit Free Press*, Caterpillar, Staley, Avondale Shipyards, Bridgestone-Firestone, Yale University, and the port of Charleston testified to management self-confidence and the weakness of the contemporary labor movement. Even the notable 1997 Teamster victory at United Parcel Service (UPS) did little to reverse the antiunion tide. Although tens of thousands of unionists and their supporters successfully mobilized much popular support against the nationwide corporation, the Teamster success at UPS generated no sea change in management thinking and relatively few organizing ripples in the economy’s vast service sector.

Despite the new energy that has infused much of organized labor in the last half decade, the sad fact is that most union activism—at the bargaining table, the ballot box, and on the picket line—is designed to defend the status quo. Union efforts to preserve jobs and wage structures are the near universal subject of most major collective bargaining negotiations. Union contract settlements, even in an era of remarkably low inflation and unemployment, barely raise the living standards of those covered by their provisions; by the late 1990s the share of national income going to wages was at its lowest level in almost three decades. Meanwhile, company efforts to cut health-care costs and benefits generate more than two-thirds of all the strikes that do take place.<sup>34</sup>

This book is therefore predicated on the idea that a larger, more powerful, and more democratic trade-union movement is essential to any progressive resolution of the contemporary stalemate that structures social politics in the United States. As Progressive era labor partisans like Frank Walsh once asserted, the fate of American democ-

racy is insolubly linked to the democratization of the world of work. Indeed, the political history of every industrial nation, from the early nineteenth century to the tail end of the twentieth, demonstrates the symbiosis between the growth of unions and the evolution of a democratic polity. A hundred years ago, reformers saw the unions as a counterweight to the overweening power of capital, while socialists saw them as the kernel of a new social order. In Euro-America both our fears and hopes have been tempered during the intervening decades: today, democratic theorists are apt to celebrate the pluralist democracy that arises out of a vibrant civil society, rather than the prospect of a collective commonwealth.

But even on this less imaginative terrain it is clear that the United States strays into dangerous territory when the republic allows for the virtual suppression of those institutions designed to represent directly the aspirations of the working population. Even in their shrunken state, trade unions are the most multiracial of all institutions and the most committed to the mobilization of those at the bottom of society. They remain the republic's largest set of voluntary organizations. Unlike church, synagogue, and mosque—or the National Rifle Association and the Sierra Club—the unions have a multifaceted character that gives them the potential to function as far more than either a religious institution or an interest group. Organized labor is unique and transcendent, for the unions combine features inherent to an expansive social movement, an ideological formation, a political lobby effort, and an institution designed to micromanage the labor market, both inside the workplace and out.<sup>35</sup>

These chapters review several decades of labor history, largely in the years after the onset of the Great Depression when the legal and political structures were first put in place for the emergence of the modern union movement. The book pays particular attention to those ideological and social issues that gave resonance within the larger polity to the union idea, or rather to those particular features of American trade unionism that most excited comment, hostility, and commitment. It is therefore not so much a narrative history as it is an examination of how trade unionism has waxed and waned in the nation's political and moral imagination, both among its devoted partisans and its intransigent foes.

Early chapters examine the sources of union growth during the 1930s and measure the extent to which New Deal–era unionism actually won shop democracy and a living wage, and not only for the most privileged in the working class. They explain why African American workers proved such steadfast industrial unionists and then analyse why midcentury collective bargaining was so inadequate to the needs of most women workers. The middle section of the book contains a somewhat revisionist reading of what has now come to be known as the era of the labor-management accord (1947–78), a discussion of the sometimes troubled relationship between the rights consciousness of the post-1960s era and the union idea, and an analysis of how and why so many postwar intellectuals and social theorists became disenchanted with the practice and promise of U.S. trade unionism. Two final chapters discuss, first, the disastrous, but not unexpected, “Reaganite” turn in corporate and governmental labor relations, and second, the more recent “Sweenyite” effort to revive the labor movement and rehabilitate the union idea itself.

Throughout, the book argues that the labor question has never been simply a function of the labor market, the character of production technology, the social composition of the workforce, or the state of business organization. These structures frame the issue and channel the discussion: they set limits on the character of struggle and debate. But the history and future of the nation’s labor question remains primarily one of ideas, ideology, and social combat. At the turn of a new century, labor’s greatest deficit is of the ideas necessary to again insert working America into the heart of our national consciousness.