Union Strategic Responses to Neoliberal Restructuring, Canada and United States, 1979-2000.

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Introduction

How have unions in Canada and the United States responded to the economic and political challenges and opportunities posed by “neoliberal restructuring” (NLR) since 1979? The first strategic question raised by such a basic change in union economic and political opportunity structures is whether unions will respond by opposing or accommodating themselves to these changes. Mexico’s most powerful federation, the CTM, has chosen accommodation. The major Canadian and the U.S. union federations, in contrast, have opposed the economic and social policies that resulted in NLR, though some of those policies (e.g., NAFTA) have been opposed more intensely than others (e.g., monetary policies that privilege price stability over low unemployment).

The focus of this paper is on the evolution of union federation strategies for making their opposition to neoliberal policies more effective. Sometimes, in order to make sense of federation-level policy debates or changes, I will refer to the positions of some of these federations’ major affiliates. However, no systematic treatment of the positions of the largest affiliates is attempted. Federation policies are treated as an expression of the dominant tendency within each national labor movement.

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1 This paper is part of a larger research project on North American union power and neoliberal restructuring, undertaken in cooperation with Graciela Bensusan, Maria Lorena Cook, Gregor Murray, and Bodil Damgaard over the last three years. Their contributions to the project, including their responses to my earlier efforts to formulate these problems, are reflected at many points in this analysis.

2 By “neoliberal restructuring” (NLR) we mean the kinds of economic restructuring which flow from neoliberal economic policies. Neoliberal policies assume that regulation by competitive markets is almost always better than more state regulated markets, and so they drive toward a laissez-faire mode of national and international economic organization. Neoliberal policies are thus a shift toward the economic liberalism practiced in England for much of the 19th century, and under the aegis of the Gold Standard system, in the international economy from the 1870s to 1929 (Gray 1998, Polanyi 1963). The most important instruments of neoliberal restructuring in the North have been (1) monetary policy that makes price stability its objective, regardless of its impact on “short term” unemployment; (2) fiscal policy that abandons Keynesian counter-cyclical objectives in favor of the ideal of a perpetually balanced budget, with cuts in social policy expenditures the standard means to this end; (3) trade policy that goes far beyond the trade agreement’s traditional focus on lowering tariffs and eliminating quotas to promote international capital mobility through foreign investor and intellectual property rights backed by trade sanctions, new restrictions on government regulatory powers, etc.; and (4) labor market policies that seek to weaken the collective bargaining power of unions in order to treat labor as much as possible like any other commodity. In the South, “structural adjustment programs” (SAPs), imposed by the IMF and the World Bank as a condition of helping to refinance their foreign debt, have been the single most important vehicle for imposing such policies, as well as by privatization, cuts to subsidies, and the substitution of market for government regulation.

3 The major union federations of the United States and Canada are the AFL-CIO, the Canadian Labour Congress (CLC), and the two largest Quebec-based federations, Confédération des syndicats nationaux (CSN) and Fédération des travailleurs et travailleuses du Québec (FTQ).
Unions and their central federations face three basic strategic questions in the neoliberal era. First, how can they increase their “power resources”? Second, how can unions use their power resources most effectively to increase their bargaining power with employers? Third, how can they use their power resources to shift state economic and social policies away from the neoliberal paradigm, and toward alternative favored by organized labor?

This paper summarizes the evolution of Canadian and U.S. union federation answers to these three questions. For this purpose, it is necessary to divide the analysis of the AFL-CIO into two periods. In the first period, running from 1979 to 1994, AFL-CIO strategy reflects the views of the same coalition of business union oriented affiliates that had dominated federation politics from its formation in 1955. This coalition is called the “Old Guard” as a shorthand. Its dominance in the neoliberal era coincides with the years during which Lane Kirkland was President of the AFL-CIO. In the Fall of 1995, the New Voice slate won all of the top executive positions in the AFL-CIO in the first contested election for those slots since the formation of the federation. They have remained in power since, and have moved with impressive speed to implement a very different strategy for rebuilding and using union economic and political power.

No similar temporal divide is required to understand Canadian federation strategies, though these have evolved over time and some elements of strategy have been highly contentious. Instead, the critical distinction for Canada is between the Quebec labor movement and that found in Canada outside Quebec (COQ). The Quebec labor movement has long been a highly distinct entity, though it has organic ties to the rest of the Canadian labor movement. Since the late 1960s, when Quebec’s two largest labor federations embraced the cause of national sovereignty for the province, it has become useful for most purposes to analyze Quebec’s unions and federations in the way that they understand themselves — that is, as the organizations of a different national labor movement. Since the late 1960s, when Quebec’s two largest labor federations embraced the cause of national sovereignty for the province, it has become useful for most purposes to analyze Quebec’s unions and federations in the way that they understand themselves — that is, as the organizations of a different national labor movement, organizations with strong institutional ties to many of the unions in both the COQ and the US labor movements.

The paper has three major parts, corresponding to the three questions outlined above. Perhaps my most important empirical claim is that there has been a substantial convergence of CLC and AFL-CIO strategies in the last five years. Perhaps the most

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4 The organic links are of two kinds. First, international private sector unions such as the United Steelworkers, and national public sector unions such as the Canadian Union of Public Employees (CUPE), are strong both in Quebec and in Canada outside Quebec (COQ). Second, the Quebec branches of both of these types of unions belong to the CLC’s Quebec branch, the FTQ. However, since the 1970s, the FTQ has had a very different constitutional relationship to the CLC from any other provincial federation of labour. The FTQ has virtual autonomy on all important policy matters, while other provincial federations of labor are essentially creatures of the CLC, just as state branches of the AFL-CIO are creatures of that federation. This constitution difference arose at the demand of the FTQ, which argued that it was at a growing competitive disadvantage when trying to attract and maintain members, insofar as its strictly independent rival, the CSN, could claim that the FTQ was merely a branch of an Anglo-dominated labor movement.
The element of control is what distinguishes power resources and capacities from “opportunity structures.” Opportunity structures are factors which in some important way affect the balance of power between A and B, but which both A and B face as structures that shape and constrain their actions, rather than things that one or the other can control. Opportunity structures may affect this balance in different ways. They might affect the power resources of one or both actors (e.g., labor laws determine whether unions can be sued and fined, and so, influence their supply of material resources). They might limit the viable strategies for deploying something like mobilization capacity (e.g., under conditions of high unemployment, and a plentiful supply of potential strike breakers, strikes may not be very easy to mount, though other uses for enhanced mobilization capacity, such as increased organizing activity, may still be valuable). Obviously unions and other actors attempt to influence both labor law and unemployment rates, and sometimes they succeed to a degree. But unions have much more control over resources and capacities than over structures.

If A persuades B that it is in B’s interests to do what A suggests, then A has exercised persuasive power. If A secures B’s cooperation by promising to make B better off than she would otherwise have been (e.g., by paying B), then exchange power has been exercised. Finally, if A induces B to do what A wants by threatening to make B worse off than B would otherwise have been if B does not do so, then A has exercised coercive power.

An increase in A’s power resources and capacities will not necessarily result in an increase in A’s power over B. That will also depend upon (a) what happens to B’s power resources and capacities, (b) the quality of the strategies governing how A and B deploy their power resources to enhance their capacities, and (c) the stability of the “opportunity structures” that constrain A and B. Union power resources and capacities are not the same thing.

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Capacities are a function of power resources as these are deployed strategically. In the extreme case, a union may have significant power resources that contribute nothing to its four basic capacities, because the organization has no strategy for utilizing those resources for that purpose.

Table One about here

Probably the most important union power resource is the commitment of union leaders, members, and the wider public to the union (or labor movement) and the goals that it pursues. The strength and character of these commitments depends upon the union’s culture -- specifically, its collective identity (i.e., in identification with the groups whose interests the union attempts to serve), and/or its conception of social justice that the union or movement seeks to advance -- and how these resonate with the identities and moral economies of union members and the wider public.

Money -- or, more broadly, material resources, such as assets, that can be transformed into money -- is a second vitally important power resource. Money can be used to hire top quality staff to improve strategic and discursive capacities, or to fund patronage networks, among many other things. It is perhaps the most fungible of all union power resources. On the other hand, it is the one power resource which labor’s principal interlocutors -- corporations and states -- always have in much greater supply than unions.

The breadth and density of the activist and policy networks in which unions participate are a third important power resource. Linkages with left political parties are one such type of network, promoting consultation and mutual influence on policy matters, and (sometimes) mutual trust that facilitates union strategies such as political exchange. Other valuable networks include connections with other progressive social movements (e.g., women, environment, human rights), with sympathetic intellectuals, and with unions, social movements, and intellectuals in other countries.

Finally, union institutional structures can be considered a power resource insofar as they contribute to production of other power resources, or strengthen any of the four union capacities outlined below. For example, the craft form of union organization tends to reinforce narrow, craft-based collective identities and a relatively conservative moral economy. By contrast, the industrial form of organization not only promotes much broader identities and associated solidarities, it also facilitates cooperation and coordination across unions by eliminating many (though not all) of the jurisdictional rivalries that typically plague craft-union-dominated systems of organization. Thus, union institutions can also make it easier or more difficult to coordinate and channel mobilization capacity effectively.

Table One identifies four basic types of union capacity -- mobilization, coordination, strategic and discursive -- that union power resources can be used to enhance. Union membership mobilization capacity refers to the willingness of members and/or the broader public to participate in collective actions organized by the union. It can be gauged by the

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amount of time that members will devote to such activity, but it is also important to look at the kinds of action that they are willing to undertake. Some actions, such as civil disobedience, are riskier and sometimes more effective than others, such as letter writing or voting.

Union coordination capacity has both vertical and horizontal dimensions. Vertical capacity refers to the union’s capacity to promote coherent, coordinated collective action at all levels of the union, from the local to the national (or, in some cases, international). Horizontal coordination capacity refers to the degree to which collective actions are well coordinated across unions within a national labor movement, or conceivably, across national labor movements.

Union strategic capacity refers to a union’s capacity to “read its environment,” and respond quickly and creatively to challenges and opportunities that it presents. Contributors to strategic capacity include union intellectual resources (including the quality of staff). The breadth and depth of union network connections to the wider academic community, think tanks, and other progressive social movements is an important supplement to “in-house” union intellectual resources. Another component of strategic capacity is the degree to which the union’s political leaders are willing and able to work closely with union research staff and sympathetic intellectuals in the wider networks (Ganz 1998).

Union discursive capacity has two dimensions. The first might be termed rhetorical or “framing effectiveness,” meaning the union’s ability to frame its particular point of view in ways that engage the normative and empirical assumptions of the audience that the union is seeking to persuade. The second might be termed “communications reach,” meaning the union’s ability to communicate its frame effectively to members, the general public, and relevant others (e.g., employers and government officials).

2. United States

In the late 1970s and early 1980s, it is doubtful whether the AFL-CIO had any coherent strategy for increasing U.S. union power resources. It was still reeling from the succession of crises that blind-sided it in these years. However, by the 1985 report of its Committee on the Future of Work (AFL-CIO 1985), a basic strategy could be discerned. In the short run, the federation’s primary goal was to stabilize the material resources of its larger private sector affiliates. In the public sector, new organizing had continued to keep
The eleven largest public sector unions increased their operating income per member by an average of 39 percent through a mixture of new organizing and mergers. Public sector union density was essentially stable, oscillating between 35 and 37 percent in the public sector between 1979 and 1994 (Masters 1998). However, these unions represented only about 20 percent of all union members, and the public sector share of total employment has declined in the neoliberal era. Hence, aggregate union density fell from 24 to 15 percent in these years.

Richard Freeman, the Harvard labor economist, was the intellectual center of the Committee’s report. He articulated this argument more clearly in his own work than the report ever did in a series of articles published in the latter half of the 1990s. See (Freeman 1985, Freeman 1988, Freeman 1989a, Freeman 1989b, Freeman & Pelletier 1990). As the 1980s wore on, the articles became more and more pessimistic about what could be achieved given the current state of US labor laws.
After 1995, the New Voice leadership sought to increase all four of the basic union power resources. For them, the key was to rebuild union membership and union density through organizing without waiting for the Godot of labor law reform. To do this, it would be necessary to (a) dramatically increase the share of union resources allocated to organizing; (b) increase member commitments to their organizations so that unions could do much more with any given amount of material resources; and (c) build networks with actually and potentially sympathetic actors. These networks would increase union strategic and discursive capacities beyond what union bureaucracies could themselves afford to pay for in the form of additional staff and paid access to the privately owned mass media.

Most of these changes -- particularly the increased resources assigned to organizing -- would have to occur primarily at the level of AFL-CIO affiliates. Sweeney announced that the AFL-CIO wanted its affiliates to move quickly towards spending 30 percent of their budgets -- more than even the most aggressively organizing affiliates were spending in 1995. To demonstrate its own commitment to the priority of organizing, and provide help in diffusing organizing “best practices” among affiliates, the AFL-CIO undertook institutional reforms and re-channeled its spending in this direction.

The New Voice executive divided the AFL-CIO’s old Department of Organizing and Field Services into an enlarged Department of Organizing, and a new Department of Field Mobilization. The founder and Director of the Organizing Institute, Richard Bensinger, was made head of the new Organizing Department (Cooper 1996, Moberg 1997, 25). In 1996, the AFL-CIO’s allocated $20 million -- about one third of its total spending -- to the Organizing Department. The 1997 budget raised that figure to $30 million (Early & Cohen 1997).

The Organizing Institute’s funding and range of activities also expanded rapidly under the New Voice administration. In 1997 the AFL-CIO doubled the “organizing fund,”

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11 In 1996, the CWA voted in 1995 to raise to 10% the share of its budget going to organizing, and the SEIU voted to raise its share from 20% to 30% -- the highest in any union (Moody 1997). For more the SEIU’s organizing plans since Sweeney was replaced by Andy Stern, see (Solowey 1997).

12 The Organizing Institute was created in the late 1980s to advise affiliates’ campaigns and increase the national pool of trained organizers. The AFL-CIO contributed to the OI’s budget, but most of its funding came from the affiliates most concerned with organizing (i.e., AFSCME, SEIU, ACTWU, the Carpenters, the Steel Workers and the UFCW). Symbolically, the Organizing Institute was not housed in the AFL-CIO’s Washington headquarters, but was set apart in its own Washington, D.C. offices (Sweeney & Kusnet 1996, 87). Richard Bensinger was a strong advocate of the view that in order to organize effectively unions must again become — and present themselves as — a force for social justice. His approach to organizing was thus very much in line with that of the New Voice coalition. It is, however, a mark of the opposition that remained to this vision that Bensinger’s outspoken criticism of Old Guard leaders who continued to remain in the business unionism mold eventually cost him his job as Director of the Organizing Department in June 1998 (AP 1998).
much of which was allocated to the Organizing Institute, to $10 million (Welsh 1997, 77). In the summer of 1996, the Institute set up the first “Union Summer,” offering over 1,000 internships (in response to about 3,500 applications) to students recruited on college campuses and to young union members. Interns spent three weeks organizing workers and campaigning for pro-labor political candidates. Those who were inspired by the experience and demonstrated the aptitude were encouraged to stay on as full-time union organizers (Chartrand 1996, Cooper 1996, Greenhouse 1996b). The 1997 Union Summer was about the same size but better organized; the 1998 effort involved about 1,500 college students and young union members (Masters 1998, 13). Many of the founders of the United Students Against Sweatshops met and began to develop their ideas while participating in Union Summer activities.\footnote{13}

The New Voice leadership tried to increase union member commitments to their unions by making them once more the organizational core of a broader social movement for social justice. As Sweeney put it, “We need to act as a social movement that represents working people throughout the society -- union members and non-members alike. That way, we can fill the gaping vacuum in American political life: the need for a movement that listens to, speaks for, and fights for the people who work for a living” (Sweeney & Kusnet 1996, 106-7).

To do this, the AFL-CIO and its affiliates had to become more inclusive, particularly with respect to women and minorities, taking on the issues that mattered to these workers in their unions, their workplaces, their communities, and the wider political system. Two highly visible steps signaling change in this direction were taken at the same 1995 AFL-CIO convention that elected Sweeney President and Rich Trumka Secretary-Treasurer: a third full-time executive position in the AFL-CIO (Executive Vice-President) was created, to which Linda Chavez-Thompson\footnote{14} was immediately elected; and the AFL-CIO’s Executive Council was expanded from 35 to 54 members.\footnote{15}

\footnote{13} On USAS and its relationship to the AFL-CIO Union Summer program and UNITE!, see (Greenhouse 1999a, Van der Werf 2000).

\footnote{14} Chavez-Thompson, formerly a Vice-President in AFSCME, is the daughter of a Southern sharecropper of Chicano origins. She is fluent in Spanish as well as English, and sent a strong message of inclusion to the Latino/a community. This was reinforced several years later, when the AFL-CIO officially reversed its traditional stand on illegal immigration.

\footnote{15} The Executive Council makes the important decisions between biennial conventions that are held every two years. Its expansion had two effects. First, it made it possible to expand the representation of women and minorities on this key body, from 17 percent of the total under the old system to 27 percent under the new. Second, it helped to soothe bad feelings of the Old Guard faction, which was now concentrated in union that were diminishing in size. A larger Executive Council would give those unions somewhat better representation. The Old Guard candidate, Tom Donohue had originally proposed that the Council be expanded to include the Presidents of all 78 of the Federation’s affiliated unions (Kilborn 1995) (Franklin 1995).
The AFL-CIO also became more openly and systematically critical of the neoliberal economic order, educating its members and the wider public about its negative repercussions for the income and security of the majority of American workers, whether union or non-union, and insisting on the need to remake the system in ways that served worker interests and respected worker rights at home and abroad. As Bill Fletcher put it, in discussing the federation’s new education program for affiliates, “Common Sense Economics.”

Education is critical for unions because we will never get the commitment of our own members for the long haul if they don’t understand the source of our problems. Without that commitment, we’ll never be able to engage people in a real struggle for power. We’ll be stuck mobilizing people around immediate actions and issues, without a longer range perspective. The purpose of Common Sense Economics is to get people thinking about the direction we should be going. What is the alternative to neoliberalism? The U.S. labor movement is not anti-capitalist. We’re not like COSATU in South Africa, or the CUT in Brazil. We’re not even as radical as the Canadian Labour Congress. So we need to have a struggle and a discussion about the alternative, and rebuild that section of our movement which is committed to one. This discussion has to take place inside unions - we don’t want it to go on just in universities, and have it brought to us (Bacon 2000b).

Higher member commitment levels would enable unions to expand their make more frequent and effective use of traditional social movement tactics such as mass rallies and civil disobedience. They would also allow unions to rely more on member volunteers and less on paid officials, enabling them to expand their activities for any given level of material resources. New community organizing strategies would make greater use of member volunteer organizers from the same communities and types of work as the workers trying to form a union, and build links to the ethnic, religious and other organizations of those workers. The new labor movement discourse should also facilitate alliances with the non-union community organization allies that are essential to the success of the community organizing model. This model, it was argued, would make it possible for unions to make organizing headway in the highly fragmented and ethnically diverse private service sector where a growing share of US workers found employment. Growing membership combined with higher levels of membership commitment would increase union mobilization capacity.

Growing membership would also increase overall movement material resources, something that mergers alone could not deliver. This would enable unions to hire more staff with special expertise related to organizing, corporate campaigns, and international

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16 Fletcher had been Director of Education for the SEIU before he followed Sweeney to the AFL-CIO, becoming its Director of Education. In that capacity, he oversaw the drafting of “Common Sense Economics.” He then became a special assistant to the President.
institutional and policy questions, increasing strategic capacity. It would also halt and eventually reverse the decline in union density that had begun in the mid-1950s and accelerated in the 1980s. Rising union density should enhance collective bargaining power and increase political clout, other things being equal.

The most important AFL-CIO institutional reforms related to union power resources have already been discussed. There were also plans for further mergers among affiliates, including the most ambitious ever attempted, between three members of the New Voice coalition. Beyond these changes, the New Voice leadership attempted to redefine the functions and practices of existing AFL-CIO structures at the state and city levels to make them more effective facilitators of union cooperation in organizing and other movement building activities. Local activists from different unions were encouraged to work together on organizing (e.g., the Union Cities projects) and a variety of other issues (e.g., mobilizations for a “living wage” at city and state levels) of common interest. These efforts built upon the work and ideas of the Jobs With Justice (JWJ) coalitions that had emerged across the country based on the efforts of local activists. Central Labor Councils and state AFL-CIO bodies were encouraged to cooperate with and promote such coalitions, rather than treating them as threats, as had frequently been the previous response.

Finally, the new AFL-CIO sought to build networks with supportive intellectuals and students in the universities through teach-ins at major universities, and the development of the Union Summer program. It also attempted to build on the links with other social movements (e.g., the networks developed with environmental and religious organizations.

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17 The most important of these was the planned merger of the UAW, United Steelworkers, and Machinists, expected to create a union of approximately 2.5 million members, the largest in the AFL-CIO. All three of these unions were major players in the New Voice coalition.


19 On the AFL-CIO’s role in minimum wage campaigns at the national level and living wage campaigns at the state and municipal levels, see (Greenhouse 1997, Kriesky 1998, Kusnet 1998).

20 Established in 1986 by a unionist activists who wanted to promote inter-union and community-labor solidarity work, by 1998 Jobs With Justice (JWJ) had grown to 30 local coalitions that “rely on grassroots organizing and direct action to build community support for union struggles. Nationally, the coalition is made up of 11 International unions and groups such as the U.S. Student Association, ACORN, and Citizen Action. Locally, coalition members include churches, community organizations, central labor councils, women’s groups, and, of course, labor unions” (Smith 1996).

21 The first of a number of teach-ins organized by the AFL-CIO in conjunction with the University and College Labor Education Association was at Columbia University in 1995. A good sense of the presentations at the meeting may be obtained by reading the edited volume of presentations to the teach-in, in (Fraser & Freeman 1997).

22 On Union Summer, see (Cooper 1996, Greenhouse 1996b, Greenhouse 1999b)
(Greenhouse 1996a) developed and used to good effect in the fight against NAFTA) (Dreiling 1997). These networks contributed to union strategic and discursive capacities.

3. **Canada**

Like the New Voice leadership, Canadian union leaders were highly committed to organizing the unorganized, and they believed that they could achieve this objective without further changes to labor laws. Unlike many AFL-CIO affiliates, this had long been the case, with the result that Canadian organizing levels were sufficient to maintain Canadian union density at about 35 percent from 1955 to the present. Substantial increases in union organizing investment had been necessary to maintain these levels of organization through two decades of neoliberal restructuring, and the major affiliates had made them. Canadian labor laws since the 1960s have been more conducive to organizing than their U.S. counterpart, with the result that there has been less pressure to develop innovative organizing tactics. As a result, there was less need for the CLC as stimulus to higher levels of spending on organizing and disseminator of promising innovations in this domain. The central federations — FTQ and CSN — did play a larger role in this area, mainly because the CSN had always had primary responsibility for organizing and its effectiveness in this role prompted the FTQ to follow suit.

The upshot is that in the last five years, the AFL-CIO and the unions backing the New Voice leadership have moved closer to Canadian labor movement’s longstanding stress on continuous, large-scale organizing the unorganized, and the building of member commitments to their unions as organizational forces in an inclusive movement for greater social justice and economic democracy. The division of labor between central federations and major affiliates in developing and implementing these strategies varied between the AFL-CIO and the CLC, and within Canada, between the CLC and the Quebec federations.

The CLC and the Quebec federations were more central to efforts to increase member commitments to their unions and the labor movement than they were to organizing, because they took the lead in framing organized labor’s challenge to the neoliberal agenda as detrimental not only to most workers, but also to national sovereignty and the democratic control of national economic and social policy. By framing their critiques in this fashion, these national labor movements staked their claim to be among the principal defenders of political values and collective identities that were and remain fundamental for many Canadians, union and non-union alike. Consequently, Canada’s federations can take some credit for the substantial increases in union member commitment levels observed in the 1980s.²³

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²³ Data from the World Values Surveys indicate that in 1980, 13.6 percent of Canadian union members had volunteered time to union activities. By 1989, the figure was 26.5 percent. The increase was even faster in the United States (173 versus 94.8 percent), but from the lower 1980 baseline of 6.1 percent
The Canadian federations also took the lead in developing broad social movement alliances in the struggles against the Canada-U.S. Free Trade Agreement (CUSFTA), the North American Free Trade Agreement (NAFTA), and other neoliberal initiatives such as the Multilateral Agreement on Investment (MAI). Out of these alliances emerged major new networks which have been an important power resource for affiliates as well as the federations in the 1990s. This process began in the mid-1980s in Canada during the struggle against CUSFTA, and was originally coordinated by the Pro-Canada Network (PCN). In the early 1990s, the same organization -- renamed the Action Canada Network (ACN) -- coordinated the social movement alliance against a range of neoliberal policies (e.g., the General Sales Tax), and above all, NAFTA (Ayres 1998). Provincial counterparts to the PCN/ACN were also created in most provinces over the same time span. For reasons that will be explained in our discussion of union political strategies, since November 1993, these provincial networks have remained more active than their national counterpart.

Turning to union institutions, the neoliberal era was characterized by an unprecedented wave of mergers among affiliates. Like the AFL-CIO, Canadian federations did little to guide this process. Their principal contribution to this trend was refraining from challenging the rapid erosion of the jurisdictional boundaries that it had once been a primary federation function to define and uphold. The result was rapid concentration of union membership in a small number of general unions. Whether the new dominance of general unions is conducive to the formation and maintenance of strong member commitments has been questioned by those who argue that common craft or industry provide a sounder basis for union collective identity and moral economy. Questions can also be raised about whether this development intensifies rivalries among general unions, and in the process, makes cross-union cooperation and coordination more difficult. The point for now is that the propensity to merge, and the role of the national federations in that process, was much the same in both countries.

(WVS 1981-1984, 1990-1993). The fact that volunteerism in the 1980s grew faster in the United States than in Canada might seem at odds with the argument that the AFL-CIO and the Old Guard unions did little to increase member commitments in that decade. But individual affiliates such as the SEIU rejected the strategic orientation of “Old Guard” leadership of the AFL-CIO and the coalition of affiliates that kept them in power, and these unions were making such efforts. The higher rate of increase in union volunteerism in the United States in the 1980s can be interpreted as evidence that more unions were moving in this direction — that is, toward the position already occupied by the central tendency in the Canadian labor movement.

24 By 1997, 37.7 percent of all Canadian union members were found in the country’s six largest unions, up from 28.0 percent in 1978. The comparable figures for the United States were 46.7 percent, up from 34.9 percent.

25 Kim Moody raises this concern (Moody 1988). Charlotte Yates has also examined the issue as it played out in the Canadian Auto Workers (CAW), one of the unions that grew most rapidly in the neoliberal era by combining numerous mergers with aggressive organizing. See (Yates 1997).
Summing up, since 1995 AFL-CIO strategies for building union power resources have became more like those prevailing Canada with respect to in the importance placed on (i) organizing as a strategy for increasing union material resources; (ii) increasing member commitments to their unions through a movement discourse that is inclusive and critical of the status quo political economy; and (iii) building networks among union activists and between the labor movement and other social movements critical of neoliberal policies. In this area, then, we have witnessed quite a dramatic strategic convergence over the last five years.

B. Increasing Union Economic Power

In this section we consider two aspects of union economic strategy. In the longer run, assuming that union political power can be increased, the question is what kind of alternatives to neoliberal policies unions wish to see implemented. The alternative to the neoliberal model of global economic integration is particularly pressing, given that much of the increased power that employers enjoy comes from unprecedented levels of international capital mobility. In the short run, before such power has been gained, the question is how to minimize the erosion of union bargaining power, to prevent an orderly retreat from turning into a rout.

1. USA

Given their conviction that unions could do little to increase union power resources, it is not surprising that the Old Guard strategy for increasing union economic power relied on persuasion rather than the threat of coercion. Under their leadership, the AFL-CIO hoped to persuade employers that more cooperative, "micro-corporatist" relations with major employers would result in increased corporate competitiveness in a neoliberal world, to the benefit of both labor and capital. The first recommendation of the 1985 report of the Committee on the Future of Work was that U.S. unions should strive to find less "adversarial" forms of representation and collective bargaining.

What kind of economic exchange did the Committee have in mind? Unions were to function as workers’ “voice,” identifying better ways to make products, and reducing frictions and resentments between managers and employees. The alternative to effective

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26 Corporatist relationships involve political exchanges between union federations and governments. The most frequent exchange in the 1970s and 1980s was centralized guarantees of union wage restrain in return for government commitments to monetary and other policies that would ensure low unemployment (Cameron 1984). Microcorporatist relationships, by analogy, are economic exchanges between individual unions and employers. Such exchanges often involve promises of increased union flexibility on job descriptions, work rules and wage systems in return for employer commitments to high levels of reinvestment in worker skills and/or capital equipment.
worker voice was “exit” in which workers simply quit firms that failed to address such concerns. Employers should prefer voice to exit because it generated more employee loyalty, and with it, higher quality and productivity. This line of argument would be persuasive if two conditions were met. First, employers had to be convinced that a “high road” competitive strategy (i.e., high wage, high quality, high productivity) was a better bet than the alternatives. In particular, they had to believe that no “low wage, high productivity” strategy existed. Second, employers had to believe that unions were required to perform the worker voice function that was critical to the high road competitive strategy.

The high road argument was more plausible in some industries (e.g., auto assembly) than it did in others (e.g., apparel or consumer electronics). But even in those where it was most plausible, U.S. employers that were not already organized by powerful unions were often skeptical about the second argument. Why not hire human relations experts to create their own processes for encouraging worker voice? This would reap the rewards of quality and productivity without paying the higher wages, reduced profits, and increased restrictions on managerial flexibility that they associated with autonomous unions. In its 1994 interim report, the Dunlop Commission -- created by President Clinton with a mandate to identify the labor law reforms that would facilitate cooperation of this sort -- indicated that it had found little employer support for such reforms (Dunlop Commission 1994, 76).

The New Voice coalition believed that it could bring about a much more substantial increase in union power resources than the Old Guard thought realistic. Its strategy for increasing union economic power was premised on this more optimistic assessment of labor’s situation. Increased power resources would be used to present employers with a choice: either cease interfering with union organizing efforts and return to good faith collective bargaining, or face levels and types of mobilization that U.S. employers had not had to face since the 1930s. In other words, a credible threat of coercion, rather than persuasion, lay at the heart of the New Voice strategy. If successful, this would result in much higher rates of organizing success, which -- together with the greatly expanded union investment in organizing discussed in the previous section -- would then translate into higher union density and bargaining power. This power would foreclose low road strategies, whether or not employers would choose this course in the absence of union coercive potential.

The New Voice leadership understood that in many cases increased union organizing and density would not be sufficient to increase union bargaining power, because U.S. employers were now more constrained by the intensified international competitive pressures associated with neoliberal restructuring. This restructuring

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27 A major contributor to the Future of Work report, Harvard labor economist Richard Freeman, provided an elegant version of this “voice” argument (Freeman & Medoff 1984), and research supporting his conclusions accumulated over the next ten years (Mishel & Voos 1992).
enhanced international capital mobility, giving many large employers -- particularly in the manufacturing sector -- much greater scope to circumvent increased domestic union organization by shifting production overseas. This could significantly weaken the correlation between increasing union density and increasing union bargaining power that had obtained when the world economy was characterized by lower levels of capital mobility.

The new AFL-CIO leadership did not initially devote a lot of attention to the international dimension of the problem, focusing initially on its domestic organizing imperatives. However, many of the affiliated unions that comprised the New Voice coalition had been very conscious of the need to improve AFL-CIO strategy in this area at least since their leadership in the struggle against NAFTA. Gradually, the AFL-CIO began to go beyond its objection to further extensions of the neoliberal trade and capital agenda (e.g., hemispheric extension of NAFTA, MAI, WTO) to articulate a more worker-friendly alternative model of international economic organization. What emerged was the idea of using U.S. power over the character of international economic institutions and rules to foreclose the “low road” of labor rights suppression and exploitation as a viable corporate competitive strategy. At the heart of this alternative must be the universal protection of core worker rights, and the use of trade and other economic sanctions to enforce those rights. More broadly, the institutions and policies of the international system must be reformed to promote a global version of the Fordist system of regulation which had hitherto existed only at the national level -- a global social dimension (Blackwell 1998, Shailor 1998, Shailor & Kourpias 1998).

This line of argument marked a sharp departure from the Old Guard’s original response to this threat, which had been to end its support for trade liberalization in the early 1970s (Donohue 1991). The New Voice leadership did not believe that such a protectionist strategy was politically viable. Instead, it sought to build international ties with unions in Mexico. Sweeney’s trip to Mexico in February 1998 signaled a new level of commitment in this area — it was the first time an AFL-CIO President had visited Mexico since Sam Gompers in the 1920s. Sweeney’s itinerary was also revealing. While he spent time with the leaders of the pro-NAFTA, PRI-affiliated CTM leadership, he also made a point of having discussions with leaders of the autonomous FAT (Dillon 1998).

The AFL-CIO continued to pursue a “Just Say No” role as part of the coalition that sought to prevent further extensions of the neoliberal trade agenda in Congress. In this,

\*An alternative (or complimentary) approach would be to more strictly regulate the terms and conditions of international capital mobility so that it would not have the same detrimental impact on the balance of economic power between labor and capital. It could be argued that such limits could be imposed more quickly and easily by a consensus among a relatively small group of rich Northern capital exporters than the construction of an effective international social dimension. It is thus interesting that this option is largely ignored, except for the CLC and CSN endorsements of a Tobin tax on international currency transactions already noted.\*
it was increasingly successful, defeating Presidential Fast Track requests in 1997 and 1998. But the New Voice leadership also wished to articulate some kind of positive alternative, both as a rallying point and to disarm critics who claimed that the unions were too thick to do anything but fight against change. One element of this alternative the inclusion of worker rights and environmental standards in trade agreements, backed by trade sanctions in the same way as property rights. This position caused controversy when applied to the WTO, just as it had with the NAFTA side deals. What the AFL-CIO sought, of course, was much stronger language within a new WTO than was found in the side deals, but in order to get President Clinton’s commitment to this objective, Sweeney signed a November 1999 letter from the President’s Advisory Committee for Trade Policy and Negotiations endorsing the Administration’s goals for the WTO. This sparked serious criticism from a number of quarters, where it was argued that a social clause, even if obtained, could not be expected to have as large a positive effect as the likely negative impacts of the neoliberal elements of any Seattle Round.30

This alternative model of globalization could not be realized in the short term, but the New Voice leadership nonetheless began to argue for the desirability of such an order as it opposed corporate and Administration efforts to further extend the neoliberal model of globalization. By doing so, it began to build public support for such an alternative, and disarmed the common criticism that unions had no real alternative to the policies that they opposed. By refuting the “Just Say No” characterization of their position, unions made it easier to defeat the new neoliberal initiatives. That, in turn, brought them closer to the day when governments and transnational corporations would begin to make concessions toward such an alternative.

2. Canada

The Canadian labor movement had considerably more economic bargaining power than its U.S. counterpart in the 1980s, because it possessed roughly three times the mobilization capacity of the U.S. movement by this time.31 In response to the flood of


30 Among the most vocal critics were the Presidents of the United Auto Workers, the United Steelworkers and the Teamsters. Those three unions, which had also been prominent in the fight against NAFTA, were the unions with the largest turn-out at the anti-WTO mobilizations in Seattle. Given the letter signed by Sweeney, the AFL-CIO had to support President Clinton when he called for a new round that would include strong worker rights provisions (Bacon 2000a).

31 Union mobilization capacity can be roughly estimated by multiplying union density (that is, the share of all eligible workers who belong to unions) by union membership commitment levels. By 1980, Canadian union density levels were 1.6 times those of the United States (37.6 versus 23.2 percent) and by 1997 the ratio would be 2.3 times (35 versus 15 percent). Commitment levels can be estimated by looking at the share of union members willing to volunteer for their union, or in a more stringent measure, the share
of volunteers willing to engage in relatively high risk activities such as illegal strikes or plant occupations. By either measure, Canadian member commitment levels were about twice those of U.S. members in 1980, and about 1.5 times in 1989. Thus, throughout the period, average Canadian union mobilization capacity was somewhere on the order of three times the average for the United States.\footnote{Between 1979 and 1988, the first decade of the neoliberal era, real wages declined at an average annual rate of 0.91 percent in the United States and 0.22 percent in Canada; in the years from 1989 to 1995, US real wages continued to decline at an average annual rate of 0.84 percent, while in Canada, they grew at 0.34 percent per annum (OECD 1996).}

Closely related, Canadian unions maintained their traditional adversarial stance toward employers. This was reflected both in their rhetoric and in their willingness to back their no concessions position with strike action. Comparative strike data from the decade clearly reveal the growing difference in this regard, particularly when compared with earlier decades.\footnote{Shalev argues that “relative involvement” (i.e., the number of workers involved in stoppages per thousand employees in the workforce) is the best single measure of strike levels for comparative purposes. In the years 1960-69, relative involvement in Canada and the United States was quiet similar (23 and 17 workers per thousand, respectively). But the gap widened dramatically thereafter: 45 versus 24 in 1968-73, 59 versus 15 in 1974-79, and 33 versus 4 in 1980-89 (Shalev 1992).}

Canadian unions and their federations were not immune to the argument that corporations should be convinced to pursue high road competitive strategies. However, most were skeptical about the desirability of micro-corporatist arrangements (including “quality circles”) between individual unions and employers. This was seen as the road to Japanese-style enterprise unionism, in which workers’ corporate identities and loyalties were considerably more powerful than their union identities and loyalties. Instead, they favored using the state — through some combination of incentives and pressures -- to get all employers on the high road and keep them there. The evolution of their strategies for getting federal and provincial governments to pursue such policies will be taken up in the next section, where we consider union strategies for enhancing their political power. For now the point is that industrial policy was seen as far superior to micro-corporatism as a means for keeping Canadian economic development on the high road (Carr 1991).

Between 1947 and the Uruguay Round, Canada’s major labor federations supported trade liberalization under the auspices of the GATT. This does not mean that they favored unrestricted free trade, broadly defined on the neoliberal model. On the contrary, they favored managed trade, often using the Canada-U.S. Auto Pact of 1965 as an example of what they meant by that term and of how well managed trade could work (Carr 1991).
However, prior to the Uruguay Round, the GATT was not thought to be at fundamentally at odds with the kind of managed trade favored by Canada’s labor movements. Consistent with this, the struggle against the Canada-U.S. Free Trade Agreement (CUSFTA) was framed in “Just Say No” terms that did not include the specification of an alternative Canada-US trade deal. Implicit in this stance was the assumption that if CUSFTA could be defeated, Canadian trade with the United States would continue to be regulated by the GATT. This, it was further assumed, would leave the Canadian state with enough industrial policy room to play the substantial role in national economic development that Canadian labor had traditionally envisaged. In other words, the battle against CUSFTA was still being framed in economic nationalist terms.34

Failure to stop CUSFTA and developments in Mexico began to undermine the conviction that economic nationalism was an adequate approach. The increased international capital mobility encouraged by the investor and intellectual property chapters of the agreements, together with their new legal restrictions on state industrial policy tools, were seen to impose major new limitations on the economic and social policies open to the Canadian state.35 As well, it soon became apparent that the unilateral neoliberal restructuring that had been under way in Mexico since 1984 was rapidly and profoundly changing the nature of Mexico’s economic integration with the United States. It was obvious that this shift, in turn, would have substantial implications for patterns of Canada-US economic integration as well, whether or not a NAFTA were eventually signed.

One result was the decision of the CLC and the same major affiliates that supported the ACN to help create Common Frontiers in 1989. Common Frontiers’ initial mandate was to analyze CUSFTA’s implications for the Mexican economy, to investigate Canadian economic links with the maquiladora sector, and to establish links with Mexican counterparts. When it became clear, early in 1990, that there might well be a NAFTA, Common Frontiers refocused on building connections and coordinating actions with anti-NAFTA groups in both Mexico and the United States.36 Common Frontiers helped to promote the shift toward a more internationalist critique of NAFTA and a more internationalist conception of the alternatives to neoliberal globalization.37

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34 Neither managed trade nor economic nationalism are the same thing as “protectionism,” except in the Manichean world of neoliberal trade policy, where any group that does not support the latest proposal to further liberalize commodity flows is a protectionist.

35 In an important recent example, in February 2000 a WTO panel ruled that the Canada-US Auto Pact of 1965 is GATT-inconsistent (CAW 2000).

36 Personal interview with Ken Traynor, a full-time staffer at Common Frontiers during the NAFTA fight, Toronto, July 24, 1994.

37 The ACN and Common Frontiers participated in the tri-national development of ideas about a continental alternative to the NAFTA. The first substantial fruit of this effort was the 16-point Zacatecas Declaration of October 1991. The ideas found there were further developed in subsequent tri-national
By 1992, the CLC was taking the position that an international social dimension was a necessary (though not sufficient) part of any adequate response to these challenges. However, the CLC was unwilling to participate in the negotiations concerning the labor side accord to NAFTA. It judged that the outcome of these negotiations could not be strong enough to warrant the trade-off with the negative aspects of NAFTA. And it feared that if it appeared to support the side deal, it might play into the hands of NAFTA supporters. Thus the CLC stressed that an international social dimension must operate at the GATT or global level, rather than the continental level. The CLC’s strategy was to stop NAFTA, abrogate CUSFTA, and only then shift the focus of public debate to alternative to the neoliberal model of continental integration.

The CLC’s response to NAFTA’s passage was to further elaborate its thinking about an alternative to the neoliberal model of globalization. Documents prepared for the CLC’s 1994 Constitutional Convention argued that workers rights must be protected, not only through new “social clause” provisions in trade agreements, but also through changes in the policies and priorities of the International Monetary Fund and the World Bank (CLC 1994a: §20). The CLC also proposed a transactions tax on speculative international currency trading (a “Tobin tax”), the suspension of the neoliberal "structural adjustment programs" that prevailed in the 1980s, and debt relief and major new assistance for the developing countries and the former Soviet bloc (CLC 1994b: §76). The 1994 Conference also created a “NAFTA Desk,” funded with a two-year grant from the federal government, to monitor and issue periodic reports on NAFTA’s impacts. Finally, the CLC convention mandated a conference to bring representatives of the anti-NAFTA alliance from all three countries back together to assess the situation and plan strategy two years into the agreement. There was, however, no mention of doing anything with the North American Agreement on Labor Cooperation (NAALC), the official name of NAFTA’s labor side-deal.

The CSN, which had longstanding ties with some of the Mexican unions as a result of their common Catholic origins, took the lead in developing the Quebec labor movement’s response to NAFTA and its subsequent thinking about the content of an international social dimension. Peter Bakvis of the CSN, characterized the CSN’s position during the negotiations in this way:

meetings, scheduled to coincide with meetings of the three countries' trade negotiators. The documents that emerged from this process outlined, in increasing detail, an alternative approach to continental economic integration. The most recent incarnation of this ongoing process is the “Alternatives for the Americas” document drafted at the Santiago, Chile conference of 1998.

38 The CLC’s 1992 Convention document, “A New Decade: Our Future,” called for the abrogation of CUSFTA, the rejection of NAFTA, and a "social clause" in the GATT to give force to ILO conventions. It also called for cooperation with the International Confederation of Free Trade Unions (ICFTU) to develop an alternative international trade and development initiative (Malanowski, 1993: 8-9).

39 This grant was subsequently renewed by the federal government for another two years, and the NAFTA Desk remains in operation at the time of writing.
Working on the hypothesis that hemispheric integration was, to a large extent, an ineluctable process whether formalized in a hemispheric treaty or not, the RQIC decided that the issue was not one of being for or against integration but, rather, on the type of integration to take place in the Americas. The Réseau decided that it’s mission would be to propose the inclusion of a strong and enforceable social, labour and environmental protection in an extended NAFTA or any new hemispheric agreement. As was the case in its position on NAFTA negotiations, the Québec organizations found support for their approach in the policies adopted by their opposite numbers in Latin America (Bakvis 1995: 8).

In it’s 1995 Declaration, the RQIC argued that NAFTA must be redrafted “from top to bottom” (RQIC 1995: 106-8). The Declaration identified ten items that must be included in any adequate approach to continental economic integration. These included a charter of worker rights and labour standards, based on ILO work, to fill the lacuna in the NAALC, and a mechanism for monitoring and imposing sanctions for failure to enforce these provisions. Also included were a charter guaranteeing access to basic social services, including free primary and secondary education, health care, and public assistance for the poor, together with a mechanism to fund those public services in countries that lack the resources to meet these commitments on their own. The money required for meeting the above obligations should have its own financing mechanism, perhaps a transactions tax focused particularly on speculative international currency transactions (a Tobin tax). It was also stipulated that there should be debt reduction for Mexico and measures to protect the rights and working conditions of migrant workers.

Summing up, the favored economic strategies of the U.S. and Canadian labor movements and their federations were very different at the outset of the neoliberal era. While the AFL-CIO advocated a shift towards less adversarial collective bargaining and micro-corporatism, the CLC and the Quebec federations rejected micro-corporatism and reaffirmed its traditional strategy of expanded industrial and social policies to constrain corporate power and level the collective bargaining field. Similarly, while the AFL-CIO rejected further extensions of GATT in 1972 (i.e., just before the Tokyo Round of negotiations began), the CLC and the Quebec federations continued to support the GATT without qualification until the Uruguay Round (1986). Nor did they have sufficient consensus to challenge that round with nearly the energy devoted to CUSFTA and NAFTA.

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40 The Quebec equivalent of the Action Canada Network from November 1994 was called Le Réseau québécois sur l'intégration continentale (RQIC) in November 1994.
By the latter half of the 1990s, however, the New Voice leadership was articulating a stance on collective bargaining that sounded more like the CLC’s, though U.S. unions still lacked the power to engage in comparable strike levels to back tougher positions. On the international dimension, the national federations also moved toward very similar positions on the need to include core worker rights backed by effective trade sanctions in the GATT and all future trade agreements. They also agreed that such trade agreements would not be enough. Rather, they must be embedded within a wider international “social dimension” that would include new mandates for the international financial institutions and substantial structural funds. Thus, we see convergence on both the domestic and the international dimensions of federation economic strategy in the latter half of the 1990s.

C. Increasing Union Political Power

The two basic political strategy choices that unions must make are whether to continue to support their traditional party allies or forge new party linkages, and whether to focus exclusively on electoral politics or supplement these efforts with “extra-parliamentary” actions such as politically oriented demonstrations, protests, and so on, in the manner of other social movements.

1. USA

Alliance with the Democrats was the unquestioned policy of the AFL-CIO and virtually all of its affiliates from its creation in 1955 to the early 1990s. In the 1972 election, when the Democratic Presidential candidate opposed the Vietnam war, the pro-war AFL-CIO leadership refused to endorse the Democratic candidate. But even then there was no question of endorsing the Republicans or a third party. The only issue was how to increase union influence within the Democratic party. The answer was to donate more money to the Democratic party and its candidates, volunteer more union staffers and members to help with Democratic campaigns, and get out the union vote for Democrats on election day.

The Old Guard had no interest in what its Presidential candidate in the 1995 AFL-CIO contest, Tom Donohue, derisively called “protest politics.” From their perspective, parading in front of legislatures with signs was a mark of political weakness, and as such, a humiliating admission of declining union power. In any case, such tactics were bound to fail because the membership (out of fear or distaste) would not respond in sufficient numbers, while non-members would be alienated by such tactics.\footnote{The Old Guard response to this idea was well articulated by Tom Donahue, their leader and AFL-CIO Presidential candidate in his 1995 Convention debate with Sweeney. Donahue argued that Sweeney’s advocacy of civil disobedience as an important weapon in labor’s arsenal was “a formula for disaster... There’s a real world out there with real workers in it, and they are not answering the call to arms because the war the trumpets call them to is too dangerous for them, because the laws are lousy, and those laws are only}
political strategy was to persuade centrist Democrats that unions could play an essential role in a global economy governed by neoliberal principles, and then to get more of those Democrats -- above all, the President -- elected.

The Old Guard’s strategy for getting more Democrats elected was to transfer more money to Democrats via union PACs: union PAC contributions per member more than doubled in the 1980s. However, as a share of all contributions, those from union PACs remained more or less static, oscillating between a low of 17.7 percent in 1983-4 and a high of 23.9 percent in 1989-90. In other words, as unions increased their spending, so did corporations and other large contributors to PACs. By the early 1990s, what should perhaps have been obvious from the start was very clear: organized labor could never beat corporate America in its capacity to make political donations.

Of course, a Democrat was finally elected President in 1992, after 12 years of Republican rule under Reagan and Bush, but what kind of a Democrat soon became evident. Bill Clinton was less sympathetic to union outlooks and priorities than any Democratic President since the New Deal. His first major initiative was not to fight for labor law, but rather to fight tooth and nail for NAFTA, a key instrument for further advancing the neoliberal agenda that US organized labor unanimously and bitterly opposed. Greenspan, President Bush’s appointment as Chairman of the Federal Reserve, was reappointed by Clinton, despite the fact that his obsession with price stability was partly responsible for the worst recession since the Great Depression in the first three years of the 1990s. Then, in 1994, the Democrats lost control of both houses of Congress to Republicans led by House Speaker Newt Gingrich, causing President Clinton to hire Republican advisor Dick Morris and triangulate hard to the right. Between 1992 and 1994, it became clear that the Old Guard’s political strategy was inadequate at best.

The New Voice slate offered different answers to both strategic questions posed at the outset of this section. On the first, Sweeney argued that organized labor had to break with “politics as usual” with the Democratic Party. Labor must cease acting like another special interest group lobbying inside the beltway, and a faithful funder of Democratic election campaigns on the lesser of two evils rationale. Labor must become again a movement for social justice. If it could successfully organize on that basis, raising union density in the process, then these new workers would already be more politicized than was currently the case. The combination of increased union density and increased politicization would enable unions to exert more influence over the policies of going to be changed through effective political action.” Donahue went on to say that “We need to acknowledge that his federation is nothing more and nothing less than the representative of 13 million working men and women. We simply have to accept that, lest we ... move away from those we represent and seek to become a piece of some broader protest movement” (Baltimore Sun 1995, Shorrock 1995).
What this meant, in practice, was that unions and the AFL-CIO should increase their independence from the Democratic Party:

we should offer union members the information they need to make intelligent decisions; we should not tell them to vote for candidates because they’re Democrats or because they carry the union’s endorsements.... We need to be political watchdogs, not political lapdogs. And restoring our political independence will make us more effective than tethering ourselves to a political party.” As well, the movement needed to move beyond election-focused mobilizations every two years, finding ways to publicize its issues every year, year round (Sweeney & Kusnet 1996, 106-7).

At first sight, this strategy seemed to be a return to the AFL’s pre-New Deal policy of eschewing any formal party affiliation at the national level: “rewarding friends and punishing enemies” (Rogin 1971). However, in the context of the 1990s, and framed in our terms, Sweeney was saying that the AFL-CIO could no longer treat the Democratic party as an ally with which it could rely on persuasive power alone because of deep ties of loyalty and identity. New Democrats such as Clinton were very different animals. For dealing with them, the appropriate strategy was greater reliance on external pressure.

This pressure could take at least three forms, all of which were enhanced by Sweeney’s strategy. The first, already noted above, was to change the political discourse and agenda by the social movement methods noted above, and by that means, use voter pressure to shift both mainstream parties toward labor’s objectives. The second was to make labor’s financial support for Democratic candidates at once more contingent on performance and spent in ways that contributed to the New Voice agenda of educating and mobilizing its members. The third was to offer at least some support to a pro-labor third party that would represent the future possibility of a credible electoral threat to the left of the Democrats. By the early 1990s, two strongly pro-labor third parties existed in the United States: the Labor Party and the New Party. The new strategy created more

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42 The AFL-CIO Corporate Affairs Department developed a graph that correlated the federation’s COPE ratings for House of Representatives Democrats and Republicans with the average union density level in their state. The graph indicated that as state union density rose from the 3.7-7.0% range to the 18.8-26.3% range, Democratic COPE ratings rose from 85 to 95 percent. For the same range, Republicans rose from about 7 to 26 percent.

43 In the 1998 mid-term elections, the AFL-CIO put an increasing share of its resources into registering and getting out the vote in grass-roots organizing efforts that it undertook itself in cooperation with affiliates committed to this approach. This shift generated important gains in that election, due to the higher turn-out that labor was able to stimulate among its members. This approach also made it easier to harness that union-led, grass-roots effort to another political party at some point in the future.

44 On the New Party’s formation and strategy, by one of its founders, see (Rogers 1997).
space for affiliates and activists that might wish to support them. After 1995, support for the Labor Party among AFL-CIO affiliates expanded considerably.\textsuperscript{45}

While the AFL-CIO’s new political strategy was of some help to the new third parties, the Democrats’ loss of their longstanding House and Senate majorities cut in the other direction. Having lost their power to control the progress of legislation, businesses that had heavily funded Democratic candidates shifted their funding to the Republicans. As well, some conservative Democrats quit the party and joined the Republicans. The result was that both financially and ideologically, the House Democratic caucus shifted toward organized labor. With less business interest in the party, labor’s prospects for regaining influence with the Democratic party increased. This was particularly notable in a number of defeats that President Clinton suffered on trade policy issues at the hands of House Democrats in 1996-98 (Abramson & Greenhouse 1997, Roberts & Sansbury 1998). These changes made the Democrats seem less deeply and permanently at odds with the labor movement’s agenda, reducing the pressure to create a permanent organizational alternative.

On the question of how electoral and extra-parliamentary strategies should relate to one another, the New Voice position was that the labor movement must not rely on the Democratic party to articulate movement concerns to help the poor, and exploited among non-union members. The New Democrats would not even talk of the working class, which was less and less likely to vote in any case.\textsuperscript{46} In this context, unions must articulate these interests and concerns, and the kinds of policy responses necessary to respond to them effectively. This would result in favorable changes in perceptions of unions among members and non-members, which would assist in union organizing efforts and political mobilizations. These shifts would increase union power and with it, the capacity to realize this new agenda. This approach made the labor movement a central player in shaping the national political agenda and the discourse in which it was framed. In effect, the New Voice coalition advocated an important extra-parliamentary dimension to labor’s political strategy (Sweeney 1998, Sweeney & Kusnet 1996), though details were still lacking.

\textsuperscript{45} When it began in the early 1990s as Labor Party Advocates (LPA), only one small AFL-CIO affiliated railway union and two unaffiliated national unions (UE and ILWU) supported the effort. The LPA officially became a political party at its founding convention in June 1996, though it has not yet run any candidates -- a controversial strategic choice. By 1998, the Labor Party was supported by nine national unions, including the United Mine Workers (UMW), the Oil, Chemical and Atomic Workers (OCAW), and the American Federation of Government Employees (AFGE) — all AFL-CIO affiliates. The most recent available Labor Party newsletter claimed that the various national, state, and local unions endorsing the party represented a combined membership of about one million US union members. While the figure may be exaggerated, if accurate this would represent about 7 percent of current US union membership. For a discussion of the Labor Party by one of its founders, see (Mazzochi 1998).

\textsuperscript{46} By the 1980s, voter turn-out even in Presidential election years was hovering around 50 percent. That vote was heavily class skewed, with lower income voters being much less likely to vote (Piven & Cloward 1988).
2. **Canada**

Support for the New Democratic Party (NDP), both federally and in all provinces other than Quebec, remained the dominant strategy of the CLC and its major affiliates for most of the neoliberal era (Smith 1990). The only CLC affiliates that opposed this strategy -- a group of international building trades unions -- left the CLC and formed the rival Canadian Federation of Labour (CFL) in 1981. Growing CLC support for the NDP and related questions of political strategy were part of the reason for this exodus. Their departure only strengthened the consensus among the unions that remained, and because the CFL never posed a serious threat to the CLC’s leadership of the Canadian labor movement, the cost of achieving this consensus was quite low.

In the mid-1990s, however, the strategy was thrown into question in Canada’s largest province, Ontario, at least for two of the labor movement’s largest and most important unions, the Canadian Union of Public Employees (CUPE) and the Canadian Auto Workers (CAW). The catalyst was the Ontario NDP government’s 1993 decision to reopen its collective agreement with its employees before it expired, and unilaterally impose a wage rollback by legislation if the unions representing those workers did not agree to it. This policy the government originally called its “social contract” and the name stuck long after it became clear that it would be unilaterally imposed rather than a political exchange. That CUPE was outraged by this policy was predictable, since its provincial affiliate represented most of the Ontario public employees affected by the roll-back. What surprised some, both inside and outside of the labor movement, was the equally strong negative reaction of the CAW leadership. For a while, both unions openly questioned whether the NDP in Ontario could be salvaged, or whether it would be necessary to construct a new party from scratch (Walkom 1994, 121-46).

However, there was never any question on either side of attempting to pursue those politics through an alliance with the Liberal party, paralleling the mainstream strategy of alliance with the Democrats in the United States. Neither side questioned the core premises of the traditional political strategy, even when the rhetoric of the debate was most heated. Talk of replacing the NDP soon shifted to arguments about how to revive its fortunes and ensure that no future NDP government would adopt such economic policies. Differences remained, however, on how this should be done, and on what extra-parliamentary forms of action should supplement an NDP-centered electoral strategy. These differences were evident in conflicts among CLC affiliates on two important questions: first, the best institutional rubric for coordinating the social movement alliance; and second, the forms of participation in the “Days of Action” organized by the Ontario

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47 In 1981, the 18 building trades unions affiliated with the CLC finally broke with the federation, after the CLC responded to their dues boycott by suspending them. Fifteen of these unions, representing about half of the 400,000 suspended members, went on to form the Canadian Federation of Labour (CFL) (Ryan 1986).
Federation of Labour to protest the policies of the Conservative government that replaced the NDP in 1995 (Gindin 1997, OFL 1997).

In the latter half of the 1980s, the CLC and its major affiliates backed into an extra-parliamentary strategy of alliance with other social movement organizations opposed to neoliberal policies. The initial catalyst was their common opposition to CUSFTA, but after losing that fight in 1988, the coalition remained in place, and re-directed its energies to other neoliberal policies such as social policy cuts. Once negotiations on NAFTA began, the coalition again shifted to trade policy. Between 1987 and 1993, this social movement alliance was coordinated by a national umbrella organization, initially called the Pro-Canada Network, and later the Action Canada Network (ACN). This organization relied for most of its operating funds on transfers from the CLC and a few of its major affiliates, but its decision-making process was consensual and it eschewed alliance with any political party so that it could maintain membership of SMOs that had the same policy, and attract supporters from both Liberal and NDP party stalwarts in SMOs that did have party ties.

This arrangement worked quite smoothly until the NDP suffered serious losses in the 1993 federal election. At that point, several unions (led by the United Steelworkers) blamed the social movement alliance strategy -- or, at least, the ACN and its issue-oriented focus on NAFTA -- for the NDP's poor electoral performance. These critics argued that it drained resources that might have gone to the NDP, promoted single-issue thinking, and encouraged a purely instrumentalist attitude toward the NDP. The upshot was a reduction in CLC financial support for the ACN and a redefinition of its role. Henceforth, it would be a clearing house for information and critiques of neoliberal policies, rather than an organization leading the struggle against neoliberalism in Canada. The unions that criticized the ACN were the same ones that had defended the Ontario NDP government's “social contract” against the criticisms made by CUPE and the CAW -- the so-called Pink Paper group.

The decline of the ACN did not mean that the social movement alliance component of union political strategy was abandoned. The CLC’s May 1994 Convention Policy Statements strongly endorsed both the domestic and the international dimensions of the social movement alliance strategy. The Convention’s opening theme document (CLC 1994c: §48-52) declared:

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48 This position was argued in two memos, copies of which were obtained by the author. They were entitled “Social Coalitions versus Social Democracy” (June 7, 1993) and “Rethinking our Mission in Ontario: A Discussion paper for union leaders” (November 1, 1993). That the first of these documents was written before the election of 1993 suggests that these tensions were already real and growing even before the NDP's poor showing at the federal level. For more details, see (Robinson 1994).

49 So named because of a document they signed supporting the Ontario NDP’s social contract during the OFL debates on that question, the pages of which were pink. The four most important unions in this camp were the Steelworkers, the Communications, Energy and Paper Workers (CEP), the UFCW, and the Machinists.
The labour movement is committed to the building of a wide base of social, economic and political solidarity, a common front, diverse in issues and people, yet strong and united in purpose: the creation of an alternative vision and future for Canada based on equality and justice -- a vision that puts people before profit, caring before competitiveness and a future which brings a decent standard of living to all Canadians.... We must use the resources, the staff, and the expertise of all sectors of the labour movement to carry out a massive communications/education program. ... We must also carry our campaign abroad. The Canadian economic and social situation is directly related to a wider, global corporate agenda which is determined to make the market the arbitrator of social relations. We must work with trade union movements around the world to promote and defend workers' rights and to expose the anti-democratic nature of the globalization process.

As well, provincial equivalents of the ACN, such as the Ontario Coalition for Social Justice (OCSJ), continued to function effectively in the struggle against neoliberal policies. The Pink Paper unions are important participants in the OCSJ, albeit in different ways and for different reasons from the CAW and CUPE, as the Ontario Days of Action revealed.50 These actions began in London, Ontario on December 11, 1995, peaked with the Toronto rally of October 1996, and continued throughout 1997. Most of the Days of Action were scheduled for two consecutive days -- a Friday and a Saturday. Union members had to take a day off work if they were to participate in the Friday events.

The Pink Paper unions encouraged their members to participate in the Saturday events but declined to ask them to give up a day's pay and run the risk of retaliation from employers for what amounted to a one-day political strike. Other unions, particularly the CAW and CUPE, saw such risks -- and the discussion between activists and members that would have to take place in order to justify and organize such actions -- as a major purpose of the Days of Action. The Days were not, on this latter view, just about influencing public opinion and thereby pressuring the Harris government. They were at least as much about promoting discussion and debate among members, with a view to increasing their understanding of the issues and their commitment to doing something about them. This conception of the Days of Action was well articulated by the CAW's Sam Gindin:

The emphasis on workplace shutdowns, and not just protests at the legislature, highlighted -- successfully -- the employer base behind the government's attacks on working people. The public sector shutdowns of transit, schools, and post offices were directed to reminding people of the

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50 Interview with Jim Turk, former Director of Education for the OFL, Chair of the OCSJ for the last seven years, and current Executive Assistant to the President of CUPE, telephone interview, 7 July 1997.
importance of social services they had taken for granted: if their loss for one day was so valuable and disruptive, what would the permanent loss of such services mean? The call on workers to lose a day’s pay and risk employer retaliation forced, in the weeks leading up to the action, local leaders and activists to engage their members in debates over the issues. That discussion/debate spread into the community, directly through labor and coalition activists, and inadvertently aided by business, political, and press hysteria which exploited nervousness over the lawlessness to come as the shutdowns and mass demonstrations hit each community (Gindin 1997: 148)

The size of the strategic differences here should not be exaggerated. Both sides agreed on that mass demonstrations, general strikes and civil disobedience were properly in the repertoire of tactics to be employed by unions in conjunction with their social movement allies. The differences within the parameters of this consensus were real and important, but they were almost certainly narrower than those that existed between the left and the right of the Canadian labor movement in the 1940s or the 1950s.

The Quebec labor movement’s political strategy had always differed from that in Canada outside Quebec (COQ). Rather than supporting the NDP (or its predecessor, the CCF), the major Quebec federations and their affiliates had first supported the reformist Liberals when they were out of power. Then, from the late 1960s, they shifted their support again, this time to the Parti quebecois (PQ) and its sovereigntist agenda. The PQ was a complex nationalist party in which Quebec’s unions never exercised the degree of influence that the COQ unions usually had within the NDP. Nevertheless, Quebec’s unions reaped major gains from the first PQ government between 1976 and 1980, including the most pro-union labor legislation in Canada. Thereafter, however, the PQ and the labor movement had a very serious falling out. Having lost the 1980 referendum on Quebec independence, the PQ antagonized the labor movement by declaring that it would hold no more referenda for the foreseeable future. Then, in 1983, the PQ imposed a major salary roll-back on its public employees — very like the Ontario “social contract” of 1994 -- and with even more dramatic results. For the rest of the 1980s, the Quebec labor took an essentially syndicalist approach to politics.

In 1991, the provincial Liberal government signaled its interest in moving beyond the bipartite “Quebec, Inc” toward a tripartite version of corporatism -- one with a significant labor market component, and therefore, a more important role for labor. While trust of the Liberals was low, most Quebec unions decided that, given the desperate economic situation, the risk was worth taking. Out of the Liberal phase of this process (1991-93) came increased labor participation in provincial capital schemes and tripartite bodies, including the Société Québécoise de développement de la main-d’oeuvre (Johnson 1994). When the PQ took over in the 1993 election, this new corporatism was further institutionalized, and moved in the direction of political exchange: labor acquiescence in budget-balancing cuts in return for a new social policy initiative highly
desired by the labor movement -- the creation of a comprehensive public day care program, announced at the tripartite Summit on the Economy and Employment in October 1996 (Sanger 1998).

The development of a limited form of political exchange in Quebec during the 1990s should not be confused with the labor movement’s continued opposition to principal elements of the neoliberal agenda embodied in federal laws and policies. Indeed, condemning the federal government for its retrograde economic model, while praising the provincial government fit nicely with Quebec labor’s conviction that full sovereignty would enhance the potential for a progressive economic policy in Quebec. It is unclear how much longer this quasi-corporatist moment will last in Quebec. It has been under increasing strain for the last two years, though it is far from dead (Cameron 2000).

Summing up, all three national labor movements intensified their traditional political power strategies in the early years of the neoliberal era. But in all three, traditional party allies imposed highly offensive policies on unions: the public sector wage roll-backs in Quebec (1983) and Ontario (1994), and NAFTA and other neoliberal policies in the United States. This encouraged a serious rethinking of traditional strategies with similar results: some distancing from old party allies, and an increased willingness to supplement electoral politics with social movement alliance strategies designed to enable organized labor to participate more directly in shaping the political agenda. The former shift has gone furthest in the United States, where a minority faction (representing perhaps 7% of all union members at last count) has broken with the Democrats and participates in the founding of a rival Labor Party. The latter shift occurred first in Canada, where the struggle against CUSFTA in the latter half of the 1980s encouraged the rapid development of these linkages in COQ and in Quebec. However, a similar process occurred in the United States during the NAFTA fight, and accelerates after the New Voice coalition takes control of the AFL-CIO.

Conclusions

On all three dimensions of union strategy considered in this paper, there were substantial differences in initial national federation responses to neoliberal restructuring. On all three dimensions, those differences have been substantially reduced in the intervening 20 years, particularly since the Fall of 1995, when the New Voice coalition came to power in AFL-CIO. Today, Canadian and U.S. union federations look more alike than they have at any time since the 1930s. Table Two summarizes the evolution of our three dimensions of union strategy over the neoliberal era in each country.

Table Two about here
As regards strategies for building union power resources, since 1995 AFL-CIO strategies for building union power resources have become more like those prevailing Canada with respect to in the importance placed on (i) organizing as a strategy for increasing union material resources; (ii) increasing member commitments to their unions through a movement discourse and practices that are more inclusive and critical of the status quo political economy; and (iii) building networks among union activists and between the labor movement and other social movements critical of neoliberal policies at both the national and international levels.

By the latter half of the 1990s, the AFL-CIO’s New Voice leadership no longer relied on favorable labor law, combined with the persuasion of the employers that unions would enhance corporate competitiveness. Instead, their strategy looked more like the CLC’s, relying on increased mobilization capacity and its deployment in innovative ways (e.g., corporate campaigns), to recognize and bargain in good faith with unions. On the international dimension, the national federations moved toward similar positions on the need to include core worker rights backed by effective trade sanctions in the GATT and all future trade agreements. They also agreed that such trade agreements would not be enough. Rather, they must be embedded within a wider international “social dimension” that would include new mandates for the international financial institutions and substantial structural funds. In both labor movements, there are unions whose leaders think that efforts to reform trade agreements such as the WTO are wasted, but the dominant position is that such efforts should be seen as one element of a comprehensive alternative to neoliberal globalization.

Finally, by the late 1990s, the political strategies of the English Canadian and US labor movements look more similar than they have been since the New Deal. In both cases, there is a growing distance between traditional party allies and organized labor, with the latter building on its social movement alliances and tactics to take over the role of articulating more fundamental challenges to the status quo than their party allies are willing or able to undertake. In both cases, a few unions have broken completely with their traditional ally, but in neither case has this minority fraction succeeded in building much momentum for its alternative. In the 1980s, the above characterizations would be perfectly applicable to the Quebec labor movement as well. However, in the early 1990s, unions entered into a limited form of political exchange with PQ governments from 1994 is the exception to this generalization. This policy has been under growing stress since 1998, but remains in place and has considerable inertia behind it.
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### Table One: Union Power Resources, Capacities, and Types of Power

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<thead>
<tr>
<th>Union Power Resources</th>
<th>Proximate Uses of Power Resources</th>
<th>Union Capacities Enhanced</th>
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<tbody>
<tr>
<td>1. Material resources</td>
<td>increase number and quality of staff, increase selective incentives, increase access to media</td>
<td>increase strategic and discursive capacity</td>
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<td>2. Member and Public Commitment to the union and labor movement values and objectives</td>
<td>increase member willingness to volunteer for or otherwise support union activities, and public support for union/movement collective actions</td>
<td>increase union and societal mobilization capacity</td>
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<td>3. Union institutions that reinforce class identities and interests, and/or promote cooperation within or among unions</td>
<td>increase tendency to see common interests and identities and downplay divergent ones</td>
<td>increase horizontal and/or vertical coordination capacity</td>
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<tr>
<td>4. National and International activist and policy networks with other progressive SMOs and intellectuals</td>
<td>increase amount and quality of information, increase level of creative ideas, increase credibility of claims to represent public interest</td>
<td>increase strategic and discursive capacity</td>
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<tr>
<td>Elements of Strategy</td>
<td>AFL-CIO</td>
<td>CLC</td>
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<tr>
<td></td>
<td>Old Guard</td>
<td>New Voice</td>
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<tr>
<td><strong>1. To Build Union Power Resources</strong></td>
<td>Stabilize material resources via mergers; increase members thru organizing if can get labor law reform</td>
<td>mergers as w/ AFL-CIO, but also increase member commitments + networks to increase members and material resources thru organizing w/o labor law reform</td>
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<td><strong>2. To Build Union Economic Power</strong></td>
<td>Persuade employers of benefits of union “voice” =&gt; reduce employer &amp; state opposition to labor law reform =&gt; get govt to pass such reform =&gt; increase UD through organizing</td>
<td>Use &gt; org investment, &gt; mobilization capacity &amp; SM tactics to increase coercive potential &amp; use potential to secure employer neutrality =&gt; &gt; membership and union density; use US power in intnl economy to change rules of global econ game</td>
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<td><strong>3. To Build Union Political Power</strong></td>
<td>&gt; financial support for Dems, and in exchange, secure &gt; policy support, esp. labor law reform</td>
<td>Majority: increase spending on member education and mobilization, but increase distance from Dems -- no auto endorsement; Minority: actively work to build Labor Party as viable electoral force</td>
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<td>Table Two: Union Federation Strategic Responses to NLR, Canada and United States, 1979-2000.</td>
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