

By Lou Dobbs

Disorganized labor

The state of our unions is weak. Organized labor has never been less influential, at a time when corporate America possesses unprecedented political power and overwhelming influence in both parties and the White House. After fighting for decades to improve the quality of lives of our nation's working men and women, organized labor is no longer the countervailing force that granted the changes they've helped implement in the workplace. Labor has been successful in establishing the 40-hour workweek, creating minimum-wage standards and unemployment insurance, and developing overtime pay regulations, child labor laws, and worker safety and health codes. But today's unions are virtually impotent in the face of corporate America's political supremacy.

There are about 15.5 million union members in the United States, a decline of more than 5 percent in the four years since President Bush first took office. Only 12.5 percent of wage and salary workers were union members in 2004, marking a steady decline from more than 20 percent two decades ago. Despite the institutional labor safeguards of civil service, government workers make up almost half of all union employees. Today, 36 percent of government workers are unionized, while only 8 percent of private-sector employees belong to a union, the lowest level in more than a century.

Declining union membership is not the only reason for organized labor's recent weakness, but it does explain the unions' diminished bargaining power. Clearly, failed union leadership and poor union management play a significant role in organized labor's decline. At precisely the moment in history when American working men and women are under the most vicious assault from so-called free trade, job outsourcing to cheap foreign labor markets, rising healthcare costs, a failing educational system, massive illegal immigration, and stagnant wages, our labor unions continue to follow failed practices of the past and are all but helpless in the face of corporate America's domination.

Unions refuse to throw down the gauntlet in order to fight the exporting of American jobs and often get in bed with corporate America on basic issues like a minimum-wage hike. At the same time, organized labor flipped its position on open borders, supporting a guest-worker program as well as amnesty for illegal aliens, a practice that depresses wages for many of its existing union members and countless other workers by an estimated \$200 billion a year. As membership decreases, it's important for unions to find new workers and expand, but recruiting illegal aliens at the expense of existing members is not only counter to the interests of union membership nationwide but also further evidence of the hapless powerlessness of organized labor.

Losing ground. Real wages for production workers, or nonsupervisors, fell by half a percent last year after rising less than 1 percent a year from 2000 to 2003. Compounding the pressure on our working middle class, the percentage of employees receiving health insurance fell for the third straight year in 2004. "Here's a climate with productivity growing at a very strong clip, more than 4 percent, yet the wages of many American workers are lagging behind inflation," says Jared Bernstein, senior economist at the Economic Policy Institute. "That's stark evidence that the economic pie is growing but many workers are failing to share in that growth."

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Interestingly, union members still enjoy a wage advantage over nonunion workers. Full-time wage and salary union workers last year had median weekly earnings of \$781, compared with

a median of \$612 for nonunion workers, which amounts to a nearly \$9,000 difference in annual pay. Collective bargaining created those pay advantages, but the union pay gap may only be temporary.

The question is whether organized labor can restore sufficient strength to counteract the excessive power of business. At least one labor leader is proposing radical reforms, however. Andrew Stern, president of Service Employees International Union, the fastest-growing private union with 1.8 million members, has proposed consolidating the AFL-CIO's 58 member unions into about 20, organizing Wal-Mart's workers, and keeping half the member dues to create a \$2 billion war chest for recruitment and organization. "We can reward American work and American workers," Stern says, "but we're going to need . . . labor unions to be strong again."

To achieve that goal, [organized labor must recommit itself to the origins of the union movement and put the well-being of American workers first and foremost. Let's hope that our unions can recapture their spirit and their soul.](#)

