

# Multinational Unions

**The transition from union shop to union world is underway, for unions have proven themselves the only integrative force even marginally capable of dealing with the definitive capitalist crisis, the crisis of participation. But “marginal capability” will not be nearly enough.**

John Zerzan

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It has never been more clear that trade unionism is “absolutely essential to the survival as well as to the stability of world capitalism. The trend toward the consolidation of unions, their closer integration with the state, and, most recently and remarkably, their development into a global network has finally presented, in fact, an unmistakable picture of modern fascism.

The last of these features, the globalization of unions, shows clearly how indispensable wage’ labor’s last effective control agency has become and how extensively its social functions are being organized.

The International Metalworkers Federation (IMF) and the International Chemical, Energy and General Workers Federation (ICEF) have been among the leaders in world-wide collective bargaining efforts. Daniel Benedict, IMF assistant general secretary, said, in a November 14, 1969 speech to the Irish Transport and General Workers Union, “the challenge of multi-national companies has led to the first new structural adaptation of international trade unionism in decades: the formation of world councils.”

The late 1960’s also saw the first significant international strikes, building from the world councils and their ambitious growth based on the models of the multi-national corporations, and elevating the well-worn cathartic of the union walk-out to the stage of multi-national safety-valve.

## Responsibility For Wage-Labor

Also by the late ‘60s was seen the involvement of the United Nation’s International Labor Organization (ILO) in studying and promoting the various participatory management or co-determination arrangements which began to bring the unions into an ever-increasing responsibility for the viability of wage-labor. By 1975 the ILO, by its “Making Work More Human” study, underlined the urgency of further union responsibility in the interest of combating the alarming degree of job-related “disruption and disorder in social systems.” The same heightened awareness produced, by the same year, the legal requirement in six European nations that labor representation be provided on the boards of all large corporations.

A dozen metal, chemical, textile, and white-collar unions from Holland, West Germany, and Belgium, formed into a single bargaining unit from ICEF, met in the fall of 1975 to bargain with Europe’s biggest fiber maker, Enka Glanzstorff. The October 27 Business Week described the negotiations as “cordial” and said that Charles Levison, ICEF general secretary, claimed the support of unions as far away as Brazil and the US Teamsters for the trina-tional group. Typical of the “global contract” direction, the Enka Glanzstorff bargaining was termed “an important precedent” by Willem Albeda, comparative labor relations professor at Rotterdam University.

The following spring, at the European trade union congress (ETUC) meeting in London, another aspect of the supranational unionism trend was expressed. The Economist (May 1, 1976) noted the accelerated cooperation since the 1974 ETUC conference in Copenhagen, and spoke of it as a potentially quite powerful vehicle: "Europe's trade unions have begun to build a new kind of European unity. It goes beyond the Common Market, involving 17 Western European nations, and it is about the practical issues of working life."

A.H. Raskin, in the July 22, 1976 *New York Times*, pointed to "the outlines of a new industrial society" in his article, "Europe's Labor Scene: Unions Fostering Closer Relations With Both Industry and Government." Surveying the range -and depth of Labor accommodation to the needs of capital, this conservative observer registered a fairly perceptive concern:

"Such expressions of the collaborative spirit in both the US and Europe have caused some critics to warn of the danger that over-close bonds between the concentrated power of big business and big labor could distort the democratic process by enabling them to force their will on government in the manner of a corporate state."

The Department of Labor's January, 1977 *Monthly Labor Review* provides further data on European unionism, which by no means contradicts Raskin's comments. Solomon Brakin's "European Union Agreements Provide Framework for Public Policies" testifies to the wide scope of the social contract, the modernist vehicle of Labor domination. "The new instrument in industrial relations" in eight countries, the social contract merges wage issues with others across the whole economic, political and social scene "into a single bargaining package, transforming wage agreements into a total labor agreement covering a wide spectrum of public issues."

## Unions and the Corporate State

A very brief look at specific national situations will provide some background to this general discussion of the decisive role of unionism.

In 1952, union representatives were brought onto the boards of directors of the leading West German iron, steel and mining enterprises, according to the principle of *Mitbestimmung*, codetermination. The concept of *Formierte Gesellschaft*, which translates roughly as "formed state" or "shaped society," and was accepted by both left and right, has been the guiding idea. Reinhard Opitz in the *Journal for German and International Politics*, described in 1966 a direction reminiscent of Mussolini's corporate state, and stated that "The road of the 'shaped society' is a concealed way to modern fascism, adjusted to the conditions of today." In the following year, Elmer Altvater wrote of the unions as becoming "the transmitters of the will of the government," observing that "Their integration into the corporate society is continually advancing."

J.E. Morris, Jr., in the October 14, 1973 *Los Angeles Times*, wrote about another aspect of the prospect maturing in Germany. His "Europe's Giant Builder: Labor Turns Capitalist," centered on Albert Vietor, who is not only an executive of IG Bau, the construction workers' union, but head of Neue Heimat, Europe's biggest home builder with an annual revenue of 5 billion marks. The connection is simply that Neue Heimat is fully owned by the German Trade Union Federation.

(In the U.S., by the way, the Carpenters' Union has similar, if less grandiose, holdings in construction companies, and the United Mine Workers is part owner of the big coal operator, Rocky Mountain Fuel Corporation, to mention a couple of parallels.)

In March of 1976, then, it was hardly surprising that co-determination was amplified by the West German legislature via a law stipulating that, by 1978, the supervisory boards of all enterprises with more than 2000 employees must be composed half by representatives of the stockholders and half by union spokesmen. One member of parliament described the new act as "the most far-reaching in the world," and several commentators have seen in it the removal of the last trace of confrontation between unions and management.

Sweden, where the workers are about as totally unionized as in Germany, is perhaps best known for the many "work enrichment" or "job democracy" set-ups in effect, such as the famous team approach to auto assembly at

Volvo. Rising absenteeism and turnover rates, plus the waves of wildcat strikes in 1970, caused the intense interest in humanization schemes, presided over, of course, by the unions.

As the Swedish Employers' Confederation put it in 1974, "In the past 4 to 5 years almost every major Swedish industrial enterprise has tried out new work forms and routines for joint collaboration in some phase of their activities."

## **Pacification in the Factories**

While "mutual respect and trust" characterize union-management relations, according to the Swedish Institute, the workers seem to have other feelings. "Sweden's Absentee Workers" (*The Economist*, August 28, 1976) bemoaned the erosion of the "work ethic" and asked "where will the mass absenteeism end." The frenzy of "job satisfaction" efforts are confronted by the fact that "the absenteeism rate for Swedish industry has been rising year by year," especially, it may be added, in the Volvo plants where union planners and social scientists first installed their pacification ideas.

February, 1977 brought a new Swedish law, introducing the annual five-week vacation, apparently the latest concession to anti-work attitudes. *Business Week* ("Sweden: Where Acquisitions Need Union Approval," February 28, 1977) reported meanwhile on the still-growing role of unions, which in this instance requires multi-national companies to negotiate with them regarding the sale of domestic firms, certainly another unprecedented power.

In England, increased militancy has brought similarly broadened responsibility for the unions, as reward for their past efforts at controlling the workers and as investment in capital's future. A colorful example of the former was the sellout of the national dock strike in 1972, whereupon enraged dockers nearly dismembered Transport Workers chief Jack Jones as he announced the settlement terms. The August 17, 1972 *New York Times* described the beating he received from his union subjects, but of course he escaped to fuck them again.

More recently, the level of class struggle in Britain has anything but declined. Multinational firms have urgently called for stability; the president of Goodyear, for instance, lamented in the December 12, 1975 *Wall Street Journal*, "We've had a lot more labor problems in the last couple of years than we ever had in the previous 40 years we've been doing business in Britain."

An increased integration of the unions into the state power is again the natural attempt at a solution. "The Workers at the Boardroom Door" (*The Economist*, September, 1976) was a special report in that influential business organ, which spoke of the widespread interest in catching up with Germany in the area of co-determination.

It reported that top leaders from across the political spectrum were agreed that a participatory approach, involving a virtual wedding of the Confederation of British Industry and the Trade Union Council, was clearly demanded by the times. The emerging consensus was also discussed in *The Economist's* "The Participants are Winning" (November 13, 1976), which predicted an industrial democracy law by no later than the 1977-78 session of parliament.

The report of the Bullock Commission, chaired by Oxford's Lord Bullock, was made public in February, 1977 and recommended union representation equal to that of the shareholders in every major firm, based on the conclusion that "the lack of sufficient worker commitment to productivity and to the company for which he works," renders it imperative.

March 1977 saw a strike against the venerable *Times* of London, carried on in defiance of the national printers' union, and a strike of toolmakers at British Leyland going on against the edicts of the Amalgamated Union of Engineering Workers (AUEW). In the latter instance, AUEW boss Hugh Scanlon railed at the strikers to return to work with the claim that their continuing actions put "the very future of British Leyland" in dire jeopardy (*Financial Times*, March 7, 1977).

Huge unions, like the Amalgamated, which was formed by merging several metalworkers trades thus extending the bureaucratic distance between rank-and-file and leaders to a maximum, are coming to be viewed as an integral part of management itself, as official partners, by way of "industrial democracy" or co-determination.

## Unions Keeping Wages Low

In Italy as well, the fight between worker and trade union points toward the unions' further consolidation, integration with the state and internationalization, in order to meet the crisis of their role as the owners' bodyguards. Since 1969, a boiling year for workers' actions, this struggle has intensified generally and the unions are more and more attacked openly.

Work humanization plans previously installed in Northern Europe as we have seen, are appearing in Italy, with the unions mainly concentrating on keeping wages down. *Business Week* of May 17, 1976, for example, reported the capitalists' joy at the way in which the metalworking unions held down demands, thus handicapping the remaining of Italy's 10 million "organized" workers.

Joyce Kolko, in her *America and the Crisis of World Capitalism*, could well have been describing Italy in particular when she wrote, "Throughout Western Europe the conflict between the workers and the trade unions, wedded to periodic and rigid contracts, is intensifying."

Regarding Italy especially, it is difficult to avoid mention of the Communist Party, due to its very close relationship with the unions. If the unions are the backbone of the modern enforcement of work, leftists are certainly its staunchest minions by far.

A plant executive (*International Herald Tribune*, June 21, 1973) agreed thusly, "I wish to hell the Communists took over Italy. They alone can make those bastards work." Along those same lines, a James Finefrock syndicated story of July 20, 1975 quoted an Italian businessman as saying, "I haven't had any strikes since I joined the communist party."

An August 10, 1975 article by Finefrock quoted FIAT head Umberto Agnelli on the election of Diego Novelli, a Communist, as mayor of Turin: "Shouldn't there be elements of contrast between the programs of the workers and the capitalists?" Agnelli asked. It should be no more surprising then, to remember the revelation of an Exxon Corp. donation of \$86,000 to the Communist Party, according to the *Wall Street Journal* of July 15, 1975. Eurocommunism, waiting in the wings to save capitalism, has certainly been training for the job in Italy, as elsewhere.

Turning to France, the situation has many similarities to that of Italy. The Communist-controlled unions, it will be recalled, ended the May '68 revolutionary movement by the accord reached with the government known as the Grenelle Agreement. The divisive treachery of the union/leftist representatives ended in the death of revolutionary possibilities for the time, in return for a 7% general wage increase and the officializing and increasing of the power of the unions.

Since the early '70s, seizures of a wide variety of work sites by the workers (e.g. Lip, Laon, Imprimerie Rouennaise) in France (and Switzerland) have led far-sighted industrialists to promote further extensions of the union authority as their best insurance against unmediated employees.

Even in Eastern Europe, worker unrest has effected greater institutionalized power for the unions. The January '77 *Monthly Labor Review* recounted the added empowering of trade unions at the enterprise level, in order to moderate "the conflicts between individual and group interests," as the Hungarian government, for example, phrased it.

The pervasiveness of this general trend can be seen even in less developed, non-European countries. "Australia's Troubled Work Ethic" (*Christian Science Monitor*, March 10, 1977) described a remarkably high level of disruptions, wildcats and the like, occurring daily in the nation with the world's highest basic wage and shortest work week. Hermann Black, leading economist and chancellor of Sydney University, noted the moderating efforts of the Australian Council of Trade Unions, and prescribed the kind of social contract drawn up between unions and government in Britain as the only plausible solution.

## Increasing Hostility To Unions

If the general direction of union-administered repression can be widely detected, so can an increasing awareness of and hostility to that direction by the workers. Almost 200,000 union members, for instance, marched in

Mexico City on November 15, 1975 to publicly condemn the collaboration of the unions with multi-national corporations and Mexican firms. Likewise, to cite an African example, worker anger is very evident in Tanzania, where the sole trade union, NUTA, is completely alienated from its members.

In the US the same basic ingredients are brewing toward the same results. It has been the United Auto Workers, through its association with the International Metalworkers' Federation, which has been in the—American vanguard in several respects. The UAW participated in the first worldwide conference of auto workers, held in Frankfurt in 1962, and hosted the founding of the first world auto council, in Long Beach, California in 1966. It has had a continuing interest in multi-national bargaining, and since the early '70s has been working toward common worldwide contract-termination dates.

A resolution passed at the 1974 UAW convention declared that "International labor solidarity, then, has passed the stage of being a convenient slogan...and is weaving all workers into its network..." The Auto Workers active participation in the IMF, with its close to 15 million workers in 60 countries, gives credence to this rhetoric.

Meanwhile, on the domestic front, the UAW draws slowly closer to co-determination, with its sponsorship of scores of co-management work experiments and its demand, during the 1976 Chrysler negotiations, for union representation on the corporation's board of directors.

The International Sheet Metal Workers' conference, held in San Francisco in the fall of 1972 to discuss the possibility of international strikes, was another glimpse of the trend, as was the 1974 pact between the United Rubber Workers and the Japanese rubber workers' unions. The latter agreement, reported in the September 17, 1974 Wall Street Journal, announced that data and personnel would be exchanged and a "joint action program" to win "mutual goals" created.

Simultaneous, of course, with the global extension of American unions has been its consolidation and integration. It is very hard to find a single issue of *Personnel*, *Advanced Management Journal*, *Harvard Business Review*, *The Personnel Administrator*, etc, for instance, that does not discuss the necessity of participation, or shared responsibility, in order to combat employee discontent. One case study has been that of Dahlstrom Manufacturing, of Jamestown, New York. In 1972, the Machinists' Union (IAM) began collaboration on a union-management production committee, which produced the following assessment by the president of Dahlstrom: "One of the most important benefits for us is that the committee has softened the Old adversary relationship we were in with our workers."

Rather than discuss some of the thousands of similar illustrations, it may be enough to simply refer, in this context, to the growing tendency toward the merger of locals (e.g. 7 Northern California locals of the culinary workers' union were recently merged into one, despite much opposition) and unions (e.g. Textile Workers-Amalgamated Clothing Workers, Rubber Workers-Oil, Chemical, and Atomic Workers, Brewery Workers-Teamsters), which naturally increase union power over members.

A closely-related development, especially accelerated since 1975, is the growing centralization of contract negotiating procedures; *The Machinist*, official IAM newspaper, spoke on February 20, 1975, of the AFL-CIO's enlarged campaign for "coordinated bargaining programs," and the April 16, 1975 Teamster described the IBT push for "co-ordinated multi-union, company-wide and area-wide collective bargaining."

And in the area of global union control, there are signs that US unions are not far behind their European counterparts. The Teamsters, for example, were active participants at a Nov. 29-Dec. 4, 1976 meeting called by the International Federation of Chemical, Energy, and General Workers (ICEF) held near Frankfurt. The "worldwide action program" drawn up there was to concentrate mainly on negotiating with BASF, Bayer, and Hoeschst, which dominate the world's chemical production. The January, 1977 *Federationist*, official AFL-CIO monthly, was devoted to the global picture and indicated, in such articles as "The Complexities of International Bargaining," an appreciation of the prevailing movement.

The transition from union shop to union world is thus underway, built on the current efforts of national union authority to strangle the dangerous possibilities afoot in the combat-zone of work. In a world increasingly devoid of effective ideological controls, it is the institutional or organizational bonds that seem to be capital's final defense. Here we find the unions, taking on more power over us all every day, but ever more exposed in their captors' role.

# fifth Estate

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