

People First Through Union Organising

Trade unions and the challenge of the new millennium

Every environment that touches our lives, be it professional or personal, is either in the process of change or has changed dramatically already. The last decade has seen phenomenal and rapid transition in all social, economic and political spheres. The labour movement, to varying degrees, has not been spared this revolution and has largely proved itself prepared to meet the challenges of the new millennium.

When discussing global transition, there is bound to be some generalisation. However, by the same token, the catch-all phrase "what goes around, comes around" is particularly pertinent here. It appears inevitable that the general decline in trade union membership world-wide will sooner or later create an impact in all countries. The 1997-1998 World Labour Report by the International Labour Organisation (ILO) researched this issue, the reasons behind it, what has been done about it and what the future holds. Table 1, on the following page, reproduces the statistics of this decline, but it is important to keep in mind that much of the decline is due to political and economic developments since the late 1980s: emerging economies in Central and Eastern Europe, massive privatisation programmes and a decline in the manufacturing industries.

At the same time, the revolution in communications, production technologies, the organisation of work, the growing interdependence of national economies and the resulting increase in competition have all had a significant impact on governments, companies and trade unions. The collective strength of organised labour in a number of countries has been sapped through a combination of legislative changes that have undermined collectivism, a further decentralisation of collective bargaining to plant or company level, a range of human resource management initiatives and practices, and a form of company-based unionism in which the collective interests of labour are increasingly disconnected from the wider labour movement.

Of course, trade union influence and power cannot be measured merely in terms of the size of membership. For example, over recent years the labour movement in Europe has proved successful in mobilising popular support for protests against proposed cuts in social protection schemes in several countries and in pressing governments to work towards reducing the high levels of unemployment. Table 1 also masks a particularly important trend, namely, the emergence or reappearance of free trade unions in countries that have moved from a totalitarian to a democratic regime. The situation for the trade union movement in Scandinavian countries remains stable and has even improved in most of those countries. However, for most other countries there is cause for concern for the overall labour movement.

We live today in a global economy, a shrinking world. The impact of developments in one part of the world has repercussions elsewhere. The same is as true for the labour movement as it is for financial and other world markets.

The fact remains that union organisations play an important role in industrial relations and no other institution could take their place. They fulfil three important functions. The first is a democratic function: allowing workers to have a say in decisions that may affect them. The second is an economic function: helping to find the best possible balance in the production and distribution of the fruits of growth. The third is a social function: ensuring that their members find their place in society; helping to eradicate poverty; combating the social exclusion of the most vulnerable in society; combating social problems such as inner-city violence, social tensions and unrest, thereby being a fundamental contributing factor to social stability.

Globalisation - Who pays the price? Who takes the spoils?

As we can see from the foregoing, there is a price to pay for globalisation. While the opening up of markets may have a positive impact on growth, it also requires economic and social adjustments to be made. It would appear that the trade union movement is paying a disproportionate share of the costs of globalisation. Unions face difficulties in adapting structures and programmes to companies that today are less hierarchical and more network-oriented and to economies that are less divided into national sectors of activity and more integrated at the regional and world levels. At the same time, companies world-wide are working towards bringing collective bargaining down to the plant level.

The globalisation of the financial system has shifted power to the international financial markets, which

has inevitably affected worker and union strategies. According to the ILO report, there is strong evidence to prove a close relationship between growth, union density and earnings equality, particularly in OECD countries. The increase in earnings inequality appears to have been caused in part by the slowdown in growth since the 1970s, as well as by de-unionisation, which itself has come about in part as a result of slower growth - a Catch 22 situation. In so far as it leads to a policy of macroeconomic austerity that holds growth in check and undermines trade unions, financial globalisation is one factor contributing to the increase in wage inequalities.

The repercussions of the globalisation process are by no means limited to OECD countries. The current constraints of macroeconomic policies are equally felt in developing countries. For many of them, the opening up of their economies to global competition has resulted in costly adaptations - the financial crises of Mexico in 1994 and of Asia in 1997 and 1998 are examples of this. In almost all cases, globalisation has brought about rapidly widening inequalities and sharp falls in standards of living.

The difficulties facing trade unions stem from many causes. Certainly, the opening up of economies is one of the main root causes since unionisation is far from keeping pace with employment growth in those sectors that produce for the world market. Therefore, the labour movement is not benefiting from a share in the advantages of international trade, while in other respects, such as capital mobility, structural adjustment and company restructuring, interdependence poses additional problems. The paradox this creates is that while trade unions are paying the price of globalisation rather than reaping its benefits, the globalisation process itself weakens one of the prime institutional channels for determining how such benefits should be shared, namely trade unions themselves.

Changing attitudes

We find that the global labour movement has suffered from economic and social developments since the 1980s, particularly when it has not kept sufficiently in touch with the grass roots. This is especially noticeable among young people who are clearly less interested in becoming members of trade unions than their forebears. There are a number of reasons for this reticence.

First and foremost, unemployment plays a significant role in young people's declining interest in trade unions. This group of society is most likely to be included among the long-term unemployed and when they do find a job there is no guarantee that they can keep it. Young people today are wary of joining organisations that they associate with the language and attitudes of their parents.

In Europe, in particular, industrial culture and attitudes have changed significantly, especially among unskilled workers. Sons and daughters no longer follow in the footsteps of their parents in the same job, or even the same factory, where they automatically join the same trade union. This culture has disappeared with the decline in mass production and with the restructuring of enterprises.

Young people are also more sensitive to the new forms of human resource management that stress personal responsibility and promote the culture of the individual. They inevitably lose the feeling of the solidarity of the wage earner. This argument can also be applied to other groups of workers, but not to the same extent as young people.

An additional significant problem facing trade unions is the increasingly heterogeneous aspect of workers' interests. Their concerns differ more and more depending on the sector activity, occupation, skill, age or sex of the people involved. Unions have not always managed to embrace this growing diversity in their members' priorities.

Those which have not been able to adjust to more individual concerns or to the effects of economic structural changes will struggle to survive in the 21st century.

The new faces of industrial relations

The new faces of industrial relations in the 21st century require a comprehensive strategic reappraisal by the labour movement on a national, regional and global scale. In today's workplace, when an employer offers appreciable social benefits or has a dynamic human resource policy, the workers may feel less need for trade union activities. This situation will change only if the employer engages in painful restructuring. We can observe two very different approaches among top management. Fortunately, some opt for stability and dialogue in their relations with unions, but (unfortunately, more frequently) others adopt strategies that are designed to undermine them.

The same is true of governments, whose greater or lesser readiness to encourage unions, or simply to

dialogue, can influence the unionisation rate. Several countries, for example, have adopted a restrictive policy with regard to recognising unions in an attempt to attract foreign investment.

The weakening of the protective legislation and institutional recognition accorded to workers' organisations in the United Kingdom, or more recently in New Zealand and Australia, has also had a significant impact on trade union membership. In New Zealand and some Australian states, there has been a clear move towards more emphasis on the individual in industrial relations. This system tends objectively to favour non-union workers. The legislation introducing the reforms has enabled some New Zealand employers to exclude union negotiators or to insist on individual contracts at the expense of collective bargaining.

FIET and its affiliates have also commented on recent developments, particularly in the information technology industry, regarding the tendency of some employers, especially multinational companies, to give certain wage-earning categories of workers a kind of self-employed status. Inevitably, this makes it more difficult for unions to negotiate conditions of work. This particular subject has been the topic of intense debate at the annual Euro-FIET Information Technology Forum.

Of course, the existence of legislation or government practices which infringe upon the principles of freedom of association and free collective bargaining remain a serious deterrent to unionisation.

Corporate merger mania versus union survival

The global merger mania that has evolved in today's shrinking world is a daunting prospect for millions of workers. The ensuing destabilisation of the work place is a growing concern for FIET and its affiliates world-wide. Mergers create more mergers and take-overs as companies are forced to follow suit or risk becoming marginalised in the world market. Multinational companies are in the process of building corporate muscle in order to take on the challenges of increased global competition. The labour movement needs to follow suit.

According to economists and business experts, recent merger and take-over activity is for reasons of sustained growth and not for cost-cutting purposes as with previous waves of such activity in the early 1990s. However, today's merger policy is driven by several major factors, with cost-cutting still an integral part of this policy. Fundamentally, to be big and focused in today's industrial world is all that counts for the major players. The bigger the corporation the greater the capacity to penetrate new markets and invest in new technology, while still enjoying economies of scale. Nevertheless, in merger or take-over situations it is inevitable that structural overlap will occur and the impact on jobs and work organisation will be significant.

FIET is gearing itself up for the challenges ahead. Multinational mergers are almost always accompanied by painful restructuring where staff numbers, retail outlets, and administration and processing functions are reduced. Similarly, multinationals are the leaders in the introduction of new human resource strategies. Unacceptable management practices quickly flow from one part of the world to another within a multinational structure. It is essential that the labour movement is prepared to deal with new management practices as they are developed and disseminated. This requires improved information and communications strategies being developed by the international labour movement to ensure appropriate national responses and the protection of workers' rights.

In a world that is becoming increasingly dominated by massive multinational corporations, it is essential that trade unions evolve accordingly and develop appropriate strategies to face up to the new challenges being set. In this respect too, the labour movement must take a close look at its own structures and membership and consider the benefits of mergers between like-minded union organisations.

Over the last few years a number of mergers have already taken place or are under negotiation. In FIET sectors of activity in particular, unions are looking more and more at the benefits of economies of scale and of streamlining operations. Indeed, FIET itself has undertaken such a process with three other international trade union organisations covering the sectors of telecommunications and post services, the graphical and printing industry and the media and entertainment sectors. However, it is most important that the issue of remaining closely in touch with the grass roots membership remains a top priority for unions which undergo merger. Larger unions have to represent more diverse interests.

Structures are fundamental to union strategies as we recall that those organisations which survived relatively unscathed today are those whose leadership and grass roots are both strong. Locals require the autonomy to enable them to stay close to their members and get specific concerns across more

forcefully in any decentralised bargaining. At the same time, there is a strong need for central co-ordination to avoid the duplication of organisational costs. Centralisation strengthens smaller units which, left to their own devices, could prove weak. Striking the right balance between union centralisation and union democracy calls for good communications at all levels.

Also important is the need to adjust to the new more flexible, less hierarchical forms of enterprise organisation, and particularly the trend towards networking. The branch union is no longer necessarily the best forum for holding discussions with other members drawn from a variety of sectors.

Furthermore, trade unions have to review their structures in terms of the changing face of work organisation. They must encourage workers who are spread over a large number of locations (for example in small and medium-sized enterprises or home workers) and those who either change jobs frequently or work only irregularly for a particular company, especially those in precarious employment, to join the labour movement. There are three main obstacles to these people's participation in trade unions. The first is the high cost of a membership drive when the potential members do not work in the same place. The second is the difficulty of finding a common language for people with diverging if not conflicting interests. The third is the need to identify somewhere other than the work place for the recruitment drive.

New strategies in the trade union movement

In the light of this, some trade union organisations have reconsidered their strategies and adapted them accordingly. They focus on providing new types of services to union members, organising new categories of workers or focusing on particular groups, opening up new areas of negotiation and forming new partnerships.

It goes without saying that the aim is not to replace traditional trade union activities, but to complement them. Trade unions are increasingly extending their efforts to all workers, not only those in full-time employment. Many have made efforts to improve the direct assistance they offer to their members in a variety of ways: supplementary social benefits, professional advisory services on work-related subjects (for example, in the fields of legal advice, social security, taxation, careers, retraining, contract negotiation, etc.), individual services and so on. The extent of the services being offered today can be found in FIET's survey on trade union services offered by affiliates.

The challenge of organising

Therefore, trade unions in a number of industrialised countries have gradually changed their priority from acting primarily as a servicing body to that of building organising unions. As indicated earlier, this development has not resulted in a decline in services provided to members. However, trade unions should not become too preoccupied with servicing existing members to the detriment of recruiting new ones. The emphasis has been on the issue of maintaining existing membership levels, or stanching the flow of departures as much as possible, instead of taking offensive action and encouraging workers to join the union.

The labour movement must move away from the situation whereby members look to and rely upon full-time union officials to service their needs. This so-called "professional servicing relationship" is characterised by a reliance on professional negotiators who service a largely passive membership. Essentially, in this widespread model, union officials, rather than rank and file members, participate in the industrial relations system.

The professional servicing model, while oversimplified for the purposes of this document, serves to highlight the implications of the current shift to company-based agreements in the global labour market. This shift will necessitate a very different relationship between the union and its membership for those unions prepared to change to meet the new challenges.

If trade unions are to recruit, retain and effectively represent their members under a system of enterprise/company-based bargaining and changed work environment, then they will need to create new work place structures and organisation, empower members to set their own agenda and resolve many of their own problems, and provide resolute support through its full-time officials as the need arises. This is the fundamental basis of the "organising model" which seeks to meet the needs of rank and file members and satisfy their aspirations in a very different way.

Organising for the future

Three guiding principles can be identified for the organising model:

1. Unions must "organise or die". Unions can blame adverse economic conditions and the changing composition of the labour force for the decline in membership, but these factors are essentially beyond the control of the union movement. Unions must accept that the desire and capacity to organise is fundamental to reversing the decline.
2. Within the organised labour movement, trade unions should encourage their members from different groups to recruit new members from within those groups, for example, women recruiting women, young people recruiting their peers, and so on.
3. Rank and file members are the union and as such they should be empowered to recruit other workers, on a one-to-one basis, generate their own agenda, and resolve as many of their own problems as practicable.

Increasing membership and leadership support for organising must be the first priority for unions. Member education about the importance of organising should be part of all union activities, especially new member education, shop steward training, and lifelong trade union education programmes. More members, leaders and staff should participate in union organising efforts and thus underline the importance of organising. Every union at every level needs to develop a culture of organising that permeates all activities.

Revitalising the union movement

Successful organising is only possible if the resources are available to support the work, if necessary by re-directing resources from other activities. The great spin-off of allocating resources to organising is that the union movement receives an injection of vitamins at the same time - a boost to its energy levels and a revitalisation of its membership.

FIET is concerned that the root problem of the decline is that union membership is lowest in those sectors where employment growth is most rapid, namely the private services sector and in small- and medium-sized enterprises where union density is much lower.

Another significant factor is that women constitute a large percentage of the labour force in the private services sector, many working part-time. Union membership among women is low, less than a third in a number of industrialised countries and even less in developing countries, and this figure is lower still among part-time workers.

In order for organising campaigns to be successful, it is crucial that recruitment policies are synchronised with the resources allocated to achieve them. Information from several affiliates indicates that some trade union officials are constrained by their existing workload and might attach a low priority to recruitment. They might not even be very adept at recruitment. For too long, the emphasis has been on close consolidation of the existing membership, rather than expanding to reach non-union establishments. Some unions will even avoid those establishments which present too great a recruitment challenge.

The need for focused research

There is an overwhelming need for focused research by the labour movement in terms of establishing comprehensive profiles of trade union members: who joins the union and for what reasons? In preparing this report, it quickly became evident that there is a distinct lack of statistical research into union membership: gender distribution, age disparity, work place environment, breakdown by sector. It is vital that trade unions regard the issue of organising and recruitment campaigns as a marketing exercise and approach each campaign in a highly organised and researched manner.

Part of the problem facing trade unions in the new labour market is that often they are less than fully aware of the extent or growth of non-union companies within particular areas, particularly in today's services sector with its growth of SMEs, and their knowledge of the organisational and work-force characteristics of these companies is extremely limited. Add to this the problems facing full-time officials, including heavy workloads, conflicting goals and priorities, and insufficient training in recruitment skills, and it is hardly surprising that a number of recruitment campaigns have achieved limited success.

Often, the explanation given is in terms of resources available, and where unions are financially weak, they can grow more cost effective by the acquisition of bodies of membership than by individual

recruitment. In other words, they prefer to organise the already organised, or to approach employers who will do it for them, often referred to as "market-share trade unionism".

Actual and potential union members now take a far more instrumental view of trade unionism, based simply on the question "What can the union do for me?" rather than "What can we achieve with the union?" Individualism outweighs collectivism in what union members want. This prognosis is the very antithesis of the organising model which attempts to connect with and develop workers' collective experiences at work and then empower them to solve their own problems through collective action.

Organising campaigns work best on the basis of local issues, generated by the work-force itself in order to provide immediate and proximate support for individuals at work. They can create a tangible and effective form of trade unionism. If workers concentrate on small, local, winnable issues, the image of the union can very quickly become established as both active and positive.

The key problem, therefore, for trade unions is not so much the assumed growth of individualism as a discernible shift in the balance of power in favour of employers which makes it more difficult for trade unions to "deliver" on day to day work place issues.

Building new networks

Efficient organising should lead to the development of widespread and strong networks of union organisers and activists. These people share both information and experience which is invaluable to the trade union movement. In the information society, where to be powerful increasingly means being information rich, it is important that trade unions encourage these networks. Their significance should not be overlooked, especially in the context of decentralised bargaining and the emergence of new management practices which attempt to isolate and erode collectivist traditions in industrial relations.

Networks also facilitate what is perhaps the most important objective of all, namely the attempt to infuse both the work place and the union movement with a new "organising culture". The organising model will change the very culture of trade unionism in those countries which embrace it.

In Europe, the introduction of European Works Councils has presented a new and challenging means of looking more closely at the issue of organising on a multinational level through the development of strong international networks. Bringing together worker representatives from within a multinational company, the council infrastructure will enable a much more detailed and comprehensive exchange of information and experiences between members. One of the primary objectives of trade union members of these councils should be to improve trade union penetration and recognition within the company. Organising should be given priority on agendas of all works council meetings. Of course, this strategy will be most effective in those councils where there is a strong trade union representation. In this respect, FIET and its affiliates should identify those councils most likely to benefit and should develop appropriate strategies for these targeted councils.

Trade sections

Organising is a priority item in all of FIET's trade section work. With the development of new technologies and the subsequent impact on employment and work organisation, FIET and its members have begun to explore new forms of communication and information dissemination that can both reduce the negative impact of these developments and investigate new organising tools. For example, in the information technology sector, where the impact of new technology has a more rapid and exaggerated effect, FIET affiliates are investigating the use of internal company electronic mail and the Internet to maintain efficient communication links with members and to recruit new members.

The 2nd FIET World Conference for Property Maintenance and Security Services held in Geneva in October 1997 was based on the theme "Organising to raise the standards". Discussions on organising campaigns used cutting-edge technology whereby a live video link was established between local officers and members of the SEIU in Washington D.C. directly to the conference: the first time such technology was used in an international trade union conference.

Discussions indicated that the industry was on the brink of massive expansion as more specialised companies take over the functions of cleaning and security outsourced both from the private and public sectors. Organising efforts must be high on the agenda of unions in these sectors. The SEIU continues to spearhead massive organising campaigns in the USA. A \$5 million organising drive was run in New York alone in 1998 aimed at unorganised health care workers.

Several ways in which specific co-operation can be adapted and developed to provide mutual support for organising have been raised in recent years. One in particular is the issue of the use of union-influenced or controlled pension funds. This will provide a new avenue for assisting workers in improving their low standards of wages and working conditions and provide an important focus for union efforts.

Inter-professional groups

FIET's World Professional and Managerial Staff Committee (P&MS) has been closely monitoring the effects of global trends on managers and professionals over recent years. The issue of organising professional and managerial staff figures prominently on the Committee's agenda. Experience in a number of countries has proved how difficult it can be to organise these workers. However, properly designed and targeted campaigns have met with significant success, particularly in the UK and Scandinavian countries.

In previous years, the organising debate focused on the modernisation of trade unions and individual services to members. Today, however, issues such as basic trade union values, the need for trade unions and their role in society and the economy, and increased communication between organised and unorganised professional and managerial staff, are considered prime factors to attract new members. In this respect, FIET and its affiliates have underlined the growing importance of new technologies in supporting organising efforts.

Much of FIET's work in respect of organising and women has taken place within the context of the highly successful Global Equality Project. Launched in 1995, the project has integrated the themes "Organising more women into trade unions" and "Improving collective bargaining for women workers". Its ultimate goal is to build a stronger foundation of women unionists in each region. The objectives are twofold:

- to promote education on trade union issues/equality issues for all unionists;
- to support and encourage more union women to participate actively in promoting, planning and teaching trade union/equality issues at all levels of trade union activities.

The multiplier factor of training trainer methods supports the advancement of women through education and training. The global project also served to extend and reinforce the existing activities designed to achieve full equality for women, naturally contributing to the process of strengthening all trade unions.

At the 7th FIET Youth Conference in Cyprus in November 1997, a cross-section of young labour leaders spoke about their own experiences in moving into positions of responsibility within their trade unions. They spoke frankly about the difficulties they had faced: pressure from their employers to give up union activities; pressures from the home in terms of family responsibilities; and resistance from older officials within their unions to positions of responsibility being given to young members.

It is essential that trade unions focus their energies and resources on finding new and original ways to encourage young workers to join the union movement. This process should also target young people while still in school or higher education establishments. Unions must speak the language of young people and find more ways to work with unemployed youth.

Trade unions must also provide the human and financial resources to deal with youth issues, including the development of appropriate structures. Once these structures are in place then it is essential that dynamic networking be initiated on a regional and global scale, co-ordinated through FIET and its affiliates.

Building an organising union

"The workers who are currently not in unions are the future of the union movement." Research and experience show that the active involvement of workers in work place organisation and their mobilisation around issues is the most effective way to meet their needs and concerns, and of recruiting them into union membership. The trade union movement needs to revitalise. It also needs to revitalise members' willingness to act, as opposed to simply re-calculating their willingness to pay for a range of new union services. Given that the key principle of organising is self-organisation, based on worker to worker recruiting and empowering members to generate their own agenda and resolve as many of their own problems as is practicable, putting organising to the top of the priorities list could well provide a catalyst for trade union renewal throughout the globe.

Organising must become the primary objective of the labour movement and everything it does must be considered in the light of the organising and recruitment outcomes. We must build organising unions.

The term organising includes recruitment, but it means much more. The objective is not only to get more members, but also to build up an active and sustainable organisation in each work place, led by members who embrace the values inherent in the trade union movement. The decline of trade union membership creates a number of risks, including:

- loss of credibility in representing workers generally;
- loss of influence with governments (affecting a wide range of industrial legislation and the various elements of the social wage such as health, education and social security);
- less financial ability to run organisations, employ staff and provide services to members;
- loss of power at industry and other levels to influence decisions affecting large numbers of workers;
- loss of bargaining strength at individual work places;
- non-unionists undercutting conditions to the detriment of unionised workers.

Already some employers and politicians are stating that unions are no longer relevant. Unions need to become more effective in the work place by building organising unions. The trade union movement must return to grass roots organising, often using the same methods which built unions years ago. An organising union recognises that organisation and collective representation are essential to the solution of work place issues. If members see their union purely in terms of the services it can provide, then organising and recruiting will suffer. Workers must consider the members and not union officials as "the union". Members' problems must be solved by members and the union leadership working together. An organising union is about having a strong, pro-active union with strategies and activities which continue before and after enterprise agreement or contract negotiations. It is about building the union by identifying leaders and training them to organise in their work places and industries.

In short, unions must organise or die.