

Critical Dialogue

What Unions No Longer Do. By Jake Rosenfeld. Cambridge, MA: Harvard University Press, 2014. 279p. \$39.95.
doi:10.1017/S1537592714003260

— Kathleen Thelen, *Massachusetts Institute of Technology*

In the United States, “Big Labor” is frequently taken to task for exercising “overweening power.” To a comparativist this is a strange charge. By any measure, the American labor movement is among the smallest and weakest in the rich democracies. It was not always so. American unions were once of middling strength (comparatively speaking), before falling into a steady and relentless decline since the 1950s. What have we lost in this process? This is the question Jake Rosenfeld explores in a masterful analysis of the consequences of organized labor’s collapse in the United States. In this meticulously researched and carefully argued work, the short answer he offers is that we have lost what was once “the core equalizing institution” in the political economy, a steady force “fighting for economic and political equality in the United States” (p. 2). Organized labor’s decline, moreover, was not the inevitable result of faceless market dynamics but the result of identifiable political conflicts. The impact of this decline has been to tilt power further toward the more privileged segments of society.

Rosenfeld draws on multiple data sources and deploys creative empirical strategies to tease out the impact that unions have had on workers generally and on specific groups of workers (women, minorities, immigrants) over time. He demonstrates that declining union strength in the United States exacerbates inequality in several ways. First, he debunks the popular image of unions as “special interests” to show how union wage bargaining had broad knock-on effects for nonunion workers as well—not just through threat of organization but also by shaping societal understandings of fairness. Second, Rosenfeld shows that once unions overcame the racism of many early organizations, they made significant contributions toward counteracting racial discrimination in the American workplace. In a sustained analysis of the evolving relationship between African Americans and organized labor, he shows how and why African American women came to count among the biggest beneficiaries of union representation—and the biggest losers with labor’s decline. Third, he shows

how unions provided a pathway to the middle class for successive waves of newly arrived immigrants. Tracing unions’ changing views on immigration, he shows how it produced some of organized labor’s most inspired leaders and how immigrant groups have anchored some of labor’s most successful recent campaigns. Fourth and finally, he clarifies the source of organized labor’s political power. Unlike business interests, organized labor’s influence in politics has never relied on campaign contributions so much as on the role that unions have traditionally played in increasing electoral participation among society’s most vulnerable groups.

Although Rosenfeld does not bring evidence from other countries to bear, having done so would have only strengthened his case. For example, we know from comparative work by Michael Wallerstein (“Wage Setting Institutions and Pay Inequality in Advanced Industrial Societies,” *American Journal of Political Science* 43 [1999]: 649–80) that unions have a very significant impact in reducing wage dispersion. We know from Evelyne Huber and John D. Stephens that welfare state generosity is strongly associated with union strength (*Development and Crisis of the Welfare State*, 2001). And finally we know from the work of Jonas Pontusson (“Unionization, Inequality and Redistribution,” *British Journal of Industrial Relations* 51:4 [Dec. 2013]: 797–825) and of Torben Iversen and David Soskice (“Information, Interests, and Redistribution,” Harvard working paper [2012]) that unions not only increase electoral participation among low income groups. They also provide a crucial networking and informational function so that working-class voters are aware of partisan differences and their implications for policy. In a country such as the United States where elected officials are more responsive to their affluent constituents (e.g., Larry Bartels, *Unequal Democracy*, 2008), where surveys indicate widespread underestimation of the extent of inequality (Organization for Economic Co-operation and Development, “Inequality and Well-Being in OECD Countries,” 2009), and where the political preferences and electoral behavior of the least well-off are often poorly aligned with their objective material interests (e.g., Nathan Kelly and Peter Enns, “Inequality and the Dynamics of Public Opinion,” *American Journal of Political Science* 54 [2010]: 855–70),

the networking and informational functions may be as important as bringing out the vote.

In one of the most intriguing aspects of the analysis, Rosenfeld delves into the changing composition of unions and its implications for distributional outcomes and political engagement. He shows that the popular image of unions dominated by white, male, blue-collar workers is long outdated. Since the 1970s, unionization rates among African Americans—men, but especially women—increased beyond the rates of organization among their white counterparts. However, the timing was “terrible,” as Rosenfeld notes, since African Americans signed up in ever larger numbers just as unions’ decline accelerated. Moreover, as private-sector unionization shrank, the center of gravity within the American union movement shifted toward the better-organized public sector, where union members are overall more affluent and better educated. As the author shows, these changing demographics diminish two of the most important equalizing effects that union representation traditionally brought. Not only is the union wage premium lower in the public sector (since it is among the least educated that union membership has historically brought the largest benefit), but organized labor’s political impact is also attenuated because public-sector workers are already much more likely to vote.

Finally, in *What Unions No Longer Do*, Rosenfeld shows us that it is no coincidence that the much-remarked-upon rise in inequality in the United States has gone hand in hand with the collapse of organized labor. While he emphasizes that there was nothing preordained about labor’s decline, nor anything inevitable about what is to come, the prognosis he offers is nonetheless appropriately grim. Indeed, there is some cruel irony in the fact that one of the bright spots he mentions in his work, the successful organization of home-health-care workers in several states, was dealt a serious blow in a recent Supreme Court ruling that prohibits unions from requiring these workers to pay union “agency fees” to offset the costs of representing them. Rosenfeld has given us a trenchant and sobering analysis of why we should not expect the situation for organized labor in the United States to change any time soon.

Response to Kathleen Thelen’s review of *What Unions No Longer Do*

doi:10.1017/S1537592714003284

— Jake Rosenfeld

Reading Kathleen Thelen’s perceptive review of my book leaves me both encouraged and deeply troubled. I was encouraged because the comparative research she highlights in her review reinforces my core argument that labor’s decline in the United States has resulted in the near

disappearance of the country’s key equalizing institution. The vital role of organized labor in deepening democracy and mitigating economic risk for working- and middle-class citizens exists across the advanced democracies. Simply put, weakened labor movements and high rates of inequality—political and economic—go hand in hand. If they did not, then my own arguments concerning the consequences of union decline in the United States would rest on shakier ground.

In addition, I was troubled because the comparative research highlighting the importance of organized labor in mitigating the effects of globalization, alongside my conclusion that we should not expect a rapid turnaround in labor’s fortunes anytime soon, points to the continuation of a long-term, disequalizing trend. And here Thelen could have highlighted her own recent, and excellent, book, *Varieties of Liberalization and the New Politics of Social Solidarity*. In it, she emphasizes the importance of labor movements that have high density rates and that maintain robust cross-occupational ties in shaping a nation’s liberalization trajectory. Those countries with powerful and unified labor movements are more likely to embark on a liberalizing pathway that is equalizing—that promotes mobility while also offering strong social protections.

The U.S. labor movement is neither strong nor particularly unified. In the private sector, establishment-level bargaining, combined with virulent employer opposition, has prevented labor from reversing decades-long losses in density. The absence of union presence in many regions—and the powerful interests eager to maintain the status quo—has stymied labor’s legislative efforts to change the country’s collective bargaining laws. Current congressional dysfunction makes it extremely difficult to pass significant legislation of any sort, let alone on something as polarizing as labor unions.

The implications of Thelen’s book along with my own for the United States in the twenty-first century are clear: the continuing transfer of risk from institutions to individuals, alongside growing inequality in the economy and elections. That is a sobering and, I believe, quite likely scenario. But since the publication of both of our books, we have seen a rising chorus from the president on down the leadership ladder decrying inequality, and a rising social movement—one that remains organizationally and financially beholden to organized labor—pushing for, among other demands, higher minimum wages and greater unionization. On the minimum wage front, this movement has already scored important victories. The pathway to increasing union density, however, remains opaque. But just as Thelen highlights how liberalization takes different forms, some egalitarian, others not, a powerful labor movement in twenty-first-century America need not look exactly like its twentieth-century predecessor, while still working to fulfill its historic role as the key equalizing institution. What shape, if any, will it take? The answer remains in the balance.