

# Newsfront

## Unions Reeling From VW Factory Loss

The UAW rejection signals ongoing loss of power and clout for Big Labor.

BY DAVID A. PATTEN

**T**HE REACTION TO THE UNITED Automobile Workers rejected bid to unionize a Volkswagen plant in Chattanooga, Tenn., lacked only one element: Rod Serling's baritone voice intoning: "You're traveling through another dimension . . . the next stop, the Twilight Zone."

Even before the vote was over, President Barack Obama began blaming Republicans, charging they were "more concerned about German shareholders than American workers." It was a breathtaking non sequitur. Everyone knew that VW, following the German labor model, had supported the UAW's effort to institute collective bargaining.

The company gave the union free access to organize workers inside the factory, while restricting opponents' ability to gather and respond. It petitioned Obama's NLRB for permission to hold a quick election with just nine days' notice, limiting the ability of non-union forces to respond. How then could the president blame the vote on VW's stockholders?

The unions found another straw man. UAW President Bob King called the vote "an outrage" and blamed "politically motivated third parties [who] threatened the economic future of this facility."



**UNION WOES** UAW President Bob King, left, says the union lost in a VW plant in Tennessee, above, possibly due to a sweet deal set forth by Sen. Bob Corker, below.



His biggest beef: a remark by Tennessee Sen. Bob Corker at the 11th hour indicating the Tennessee plant would win a new midsize SUV production line if it spurned the UAW's overtures. Unfortunately for the unions, U.S. senators have the same First Amendment rights as everyone else.

Nelson Lichtenstein, a professor of labor history at the University of

California at Santa Barbara, told The Associated Press the UAW's chances on appeal were dim.

"The prospects [for winning the appeal] are poor here because it was third-party public officials," he said.

The angst of the unions reflected the tremendous setback that the vote represented for organized labor. Dr. Gary N. Chason, professor of industrial relations at Clark University in Worcester, Mass., told Newsmax the UAW enjoyed "the best of all possible circumstances," yet lost anyway by 712-626. He described it as "a devastating loss for the labor movement."

A victory would have opened a new UAW market: the 14 foreign-

owned automakers making cars in the South. That would have provided much-needed hope to organized labor, which has seen its share of the workforce plummet from a 1956 high of 27.4 percent to today's moribund 11.3 percent. Subtract the public-sector unions — whose members get to vote for the very politicians who will subsequently determine their own pensions and wages — and the condition of private-sector unions is even worse.

"It essentially shows they have a great deal of difficulty selling collective bargaining," said Chaison. "And it's going to be difficult to expand into that sector."

Whether labor can recover its lost mojo may depend on its ability to stop pointing fingers and accurately assess what's gone wrong. Chaison said it all comes down to one stark fact: Workers aren't buying what the unions want to sell.

"The common motto of the labor movement is, We're the people who brought you the weekend," Chaison said. "I think that was changed by the anti-union people into, These are the people who brought you Detroit."

Chaison said the vote should be a wake-up call for the American labor movement.

In recent decades, organized labor has responded to its diminished cachet by pouring more and more money into elections. The business of buying friends in high places reached its apex in 2008, when, according to a *Wall Street Journal* analysis, the unions invested some \$800 million in funds and services to elect President Obama and other Democrats.

Their largess was rewarded in the years that followed: Unions received favored status in the auto bailout, labor-friendly jurists were appointed to the federal bench, and the administration saturated the NLRB with strong pro-labor appointees.

The goal was to put unionization on steroids via card-check union votes that would no longer be private, quickie elections, and other measures meant to tilt the playing field in unions' favor.

But the vote in Chattanooga suggests that even if the unions have their way, they may still fail to appeal to workers. Mark A. Carter, a high-profile West Virginia attorney who specializes in the corporate side of labor law, says he was surprised the UAW lost an election with the deck so stacked in its favor.

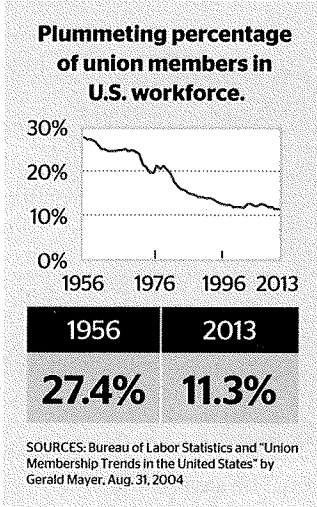
"I think it plainly calls into question the need or the utility of these labor reforms that are being advanced by the administration," Carter said.

Chaison said the VW vote heralds a looming fight for the heart of American labor, adding that Big Labor needs a serious makeover to attract new workers.

Of course, the temptation will be to continue using union dues to buy political influence. Many union leaders seem to feel one big union vote somewhere else will make workers forget the Tennessee hangover.

Chaison doubted it will be that simple. "It doesn't really solve the problem of how they're going to redesign themselves to appeal to a large number of workers, and what their future direction should be," he said. "That's the real quandary."

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**VOTE FALLOUT**

## The End of the Secret Ballot?

**R**emember card check, the scheme that would allow labor leaders to skip secret ballots like the one in Tennessee, and instead organize by collecting worker signatures?

Also known as the Employee Free Choice Act, the plan died in Congress due to fears of intimidation.

But card-check foes are warning that the National Labor Relations Board (NLRB) may be preparing to chip away at the sanctity of collective-bargaining elections.

Mark A. Carter, a West Virginia attorney who specializes in labor law, is among those sounding the alarm. He says the UAW setback in Chattanooga will only fuel union efforts to tilt the playing field in unions' favor via "electronic balloting."

As Carter explains: "If an employee is required to vote via Internet, then there could be a scenario where employees are strongly encouraged to arrive at the local union hall, log onto the secure website, enter their password, and cast their ballot in the presence of the organizer or other employees. That's not a secret ballot."

Those workers refusing to go along could be vulnerable to intimidation and harassment, right-to-work advocates say.

"The American worker should be concerned about continuing efforts to make their votes public, either in the context of a union representation election, or in the context of a political election," Carter says. —D.P.

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