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Assessing the Proposed IAM, UAW, and USW Merger: Critical Issues and Potential Outcomes

Abstract

[Excerpt] We examine the many difficult issues facing the IAM, UAW, and USW as they move toward the creation of a single organization. In order to place this merger in context, the larger issue of mergers in the American labor movement will be addressed, as will the origins and history of each of the three unions. The specific issues confronting the unions will be examined in three categories – structure, administration, and functions and services. We conclude with an assessment of the current status of the unification effort and the prospects for its realization.

Keywords

union, merger, International Association of Machinists, IAM, United Auto Workers, UAW, United Steelworkers, USW

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Assessing the Proposed IAM, UAW, and USW Merger: Critical Issues and Potential Outcomes

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I. Introduction

On July 27, 1995, the International Association of Machinists (IAM), the United Auto Workers (UAW), and the United Steelworkers (USW), three of the largest industrial unions in North America, announced their intent to merge.¹ This merger would create the largest union in the North American labor movement.²

Since the announcement, the IAM, UAW, and USW have quietly been negotiating a merger agreement. The unions originally set the year 2000 as the target for completion of the merger, leaving a five-year period in which to finalize the details (USW, 1995). In October 1998, the President of the IAM suggested that the merger would not be completed before 2002 (Likely Completion, 1998). By all indications, the unions will need this extra time to come to an agreement.

The unification of the UAW, USW, and IAM, if realized, would be an important and historic event in the history of the modern American labor movement for several reasons. First, the sheer size of the union to be created, probably over two million members, and the potential that such a mega-union has for concentrating resources and power in pursuit of its goals, is significant. Second, unlike many of the "defensive" union mergers and affiliations in recent years that have involved unions that were no longer viable, this merger appears to be more of an "offensive" merger, involving unions that have remained relatively stable in recent years. And third, if this merger is completed, it may provide a model for other American unions at a time when the labor movement is going through a period of significant restructuring.

Nonetheless, a merger of the type proposed is a very complex undertaking that will necessarily involve fundamental changes in the governing structures, policies, and cultures of the unions involved. The organizations and their leaders must overcome a number of very formidable hurdles if the merger is to be consummated.

We examine the many difficult issues facing the IAM, UAW, and USW as they move toward the creation of a single organization. In order to place this merger in con-

text, the larger issue of mergers in the American labor movement will be addressed, as will the origins and history of each of the three unions. The specific issues confronting the unions will be examined in three categories — structure, administration, and functions and services. We conclude with an assessment of the current status of the unification effort and the prospects for its realization.

II. *The Movement to Merge*

Mergers are not new to the American labor movement. In fact, the first union mergers quickly followed the emergence of the first viable labor organizations in the early 1800s. As the labor movement developed, one of its earliest national leaders, Samuel Gompers, urged unions to merge in order to consolidate resources and eliminate jurisdictional disputes (Chaison, 1986).

Labor organizations, like their counterparts in business, have been continuously restructuring and regrouping into larger, more complex structures ever since. From 1900 to 1959, union mergers averaged two per year, increasing to an annual rate of 2.7 per year from 1960 to 1979. From 1980 to 1998, the merger rate rose to four per year (Chaison, 1980, 1982, 1998).

Much of the literature on mergers focuses on why and under what circumstances unions merge (Brooks and Gamm, 1979; Chitayat, 1979). One of the major influences cited is the business cycle. Observers agree that unions are more willing to merge when they face difficult times (Freeman and Brittan, 1977). Shrinking union membership and a worsening political climate have also encouraged unions to combine forces. A further, more recent incentive is the rise of global conglomerates which dwarf the size and relative bargaining power of unions.

Mergers, themselves, have taken many different forms and their impact on the structure and functions of the merging organizations has varied widely. Chaison (1986) points out that most mergers take place between a larger and a smaller organization. He terms these mergers “absorptions.” The affiliation of smaller, independent public employee unions with the Service Employees International Union (SEIU) and the American Federation of State, County and Municipal Employees (AFSCME) in recent years are examples of this type of merger. The IAM, UAW, and USW each “absorbed” a number of smaller unions before contemplating a merger with one another.

More difficult to achieve, and less common, are mergers of unions of equal or comparable size and power. Chaison (1986) refers to these mergers as “amalgamations.” The most significant merger of this type in recent years involved the Amalgamated Clothing and Textile Workers Union (ACTWU) and the International Ladies Garment Workers Union (ILGWU). They joined together in 1995 to create the Union of Needletrades, Industrial and Textile Employees (UNITE!). In another recent amalgamation, the United Paperworkers (UPIU) and the Oil, Chemical, and Atomic Workers (OCAW) merged to form the Paper, Allied-Industrial, Chemical and Energy Workers Union (PACE).

There have been a number of "near-amalgamations" in recent years, including the efforts of the National Education Association (NEA) and the American Federation of Teachers (AFT) to form one, unified, education union and an attempt to merge the Screen Actors Guild (SAG) and the American Federation of Television and Radio Artists (AFTRA). After decades of negotiations, both reached merger agreements which were rejected by their memberships. These two cases demonstrate the difficulties unions face when trying to meld the structures and cultures of different, usually highly political, organizations in which members have the final say.

III. *The Unification Proposal and Process*

The IAM, UAW, and USW announced their intention to merge by releasing a "Unity Statement" in July 1995. The statement began:

To better win a secure and prosperous future for working men and women in the global economy of the twenty-first century, the IAM, the UAW, and the USWA hereby agree to combine our individual strength. By this declaration, we pledge to unite the membership and the resources of our three great unions into a new, two million member strong, union by the year 2000 (USW, 1995).

Shortly after the unions announced their intention to merge, they formed three committees that would be central to the unification process. The International President's Committee includes the President of each union and one of his top assistants. The Committee meets regularly to study and discuss "all aspects of unification including each union's headquarters operations and the major programs of the International unions, like organizing, political action, legislative, and communications" (IAM, 1996). The Finance Committee consists of the Secretary-Treasurers of the three unions. Their focus is on the financial operations of each union, including the dues structures, reporting procedures, and accounting and budget processes, among others. The third standing committee is the Constitution Committee. This Committee is composed of an International Vice-President from each union and other staff with expertise in this area. Its mandate is the drafting of a new constitution for the unified union (IAM, 1996).

In the spring of 1996, the three unions announced the creation of a 54-member General Membership Advisory Committee. The Committee includes 18 local leaders from each union. They will reportedly "work closely with the three presidents, testing ideas and offering suggestions from the general membership of each of the unions" (USW, Unification News, 1996).

In a June 1999 press release, the Presidents of the three unions stated that, because of their more similar structures, "the UAW and the USW will take the next step in the Unification process by conducting immediate discussions to join their two unions together" (IAM, 1999). They also announced that discussions would continue with the IAM toward "the ultimate goal of reaching Unification of all three unions" (IAM, 1999).

The constitutional conventions of each union will have the final say on any merger agreement negotiated by the unions' leadership. Ratification could occur at regularly scheduled conventions or at conventions specifically called for that purpose.

IV. *The Unions*

The IAM. The IAM traces its roots back to the Machinists and Blacksmiths Union founded in 1859. The IAM was conceived by railroad machinists as a craft union and affiliated with the American Federation of Labor (AFL) in 1895. In the 1930s it began to organize the emerging aerospace industry (IAM, 1998).

Over the years the union has expanded beyond the railway industry to include workers from the auto and auto parts, wood and paper, electronics, construction, and general manufacturing industries. The largest portion of its membership, however, currently works in the defense and aerospace industry (IAM, 1998). In 1997 the union reported a total membership of 729,986, approximately 40,000 of whom are Canadian (U.S. Department of Labor, 1997a; UAW, 1998).

Much of the power and authority in the IAM is invested in the local and district lodges. The somewhat decentralized structure of the union reflects its origins as a craft union. The IAM's International (or Grand Lodge) officers are elected by membership referendum (IAM, *Constitution*, 1997). George Kourpias was the president of the union when the unification proposal was announced in 1995. Kourpias retired in 1997 and was replaced by Thomas Buffenbarger, an IAM Vice-President since 1993 (Boyer, 1997).

The UAW. The UAW was chartered by the AFL in 1935, but left shortly after to affiliate with the Congress of Industrial Organizations (CIO). The UAW-CIO made significant strides in organizing the American auto industry in the late 1930s and early 1940s. In 1955, the UAW became a part of the AFL-CIO, when the two federations merged, only to leave thirteen years later over disagreements with the federation's policies and political positions. In 1981 the UAW rejoined the labor federation.

Today, the largest segment of the UAW's membership still works in the auto, auto parts, and truck industries. However, the union also has sizable memberships in the agricultural implement, aerospace, and defense industries, as well as in miscellaneous industrial and service occupations. In 1986 most of the union's Canadian members left to form the Canadian Auto Workers union (CAW). The UAW's membership stood at 767,200 in 1997, only roughly 4,000 of whom were Canadian (U.S. Department of Labor, 1997b; UAW, 1998).

Consistent with its CIO roots, the UAW has a somewhat centralized structure, with the International and regional levels retaining significant authority. The union elects its president through a vote of delegates at its triennial International convention. Steve Yokich has served as UAW President since 1995.

The USW. The USW had its origins as the Steel Workers Organizing Committee (SWOC), a group formed by the CIO in 1936. After successfully organizing much of the basic steel industry, SWOC officially became the USW in 1942. During World War II and the post-war years, the USW broadened its jurisdiction to include the production and fabrication of other metals. Over the years the union's membership grew, at least partly due to a series of mergers. In 1997, the union reported a total membership of 666,704 (U.S. Department of Labor, 1997c). Approximately 170,000 of the USW's membership resides in Canada (UAW, 1996).

As a creation of the CIO, the USW's structure, like the UAW's, is somewhat centralized, at least compared to many former AFL unions. The union elects their International officers by referendum. Its current president is George Becker who was first elected in 1994 (USW, 1999).

V. *Merger Issues*

Structure. Historically, the most difficult issue for merging unions to resolve, particularly in a merger of equals, has been differences in formal structure.³ Structural differences are, in fact, one of the main reasons why the long contemplated AFT-NEA and AFTRA-SAG mergers have not been completed.

In the case of the IAM-UAW-USW unification, one of the crucial structural issues that must be resolved is the method for electing national officers. The IAM and the USW both elect their top officers by a secret ballot referendum of the membership, while the UAW conducts its national elections by a vote of delegates to its convention. Resistance to the referendum method is strong among the UAW leadership. This opposition is partly a function of the fact that challengers to the incumbent leadership (from opponents of Walter Reuther to the recent "New Directions" movement) have always campaigned for a referendum vote. As recently as the 1998 UAW Convention, the union's leadership steadfastly supported convention election, going so far as to distribute a document titled "The UAW Convention System Reaffirmed" in opposition to a resolution calling for referendum elections (UAW, 1998).

A union's Executive Board is normally the top decision-making body in the organization between conventions. The manner in which the IAM, UAW, and USW elect members to their Boards is another fundamental difference between the unions. In the UAW and USW, the International Executive Boards are composed of the International officers and the Directors of the unions' intermediate bodies.⁴ The UAW calls these bodies Regions; the USW calls them Districts. In the UAW, each Regional Director is elected at the convention by the delegates from his or her region. In the USW, District Directors are elected by a referendum vote of the members of each individual District. Because Regional and District Director elections coincide with the elections of the International officers, candidates for both offices usually run on common slates.

In the IAM, Executive Council members include the International President, the General Secretary-Treasurer, and seven General Vice-Presidents. The General Vice-Presidents are elected at-large by the entire membership, usually on a slate with the President and Secretary-Treasurer. Once elected, the General Vice Presidents are assigned to either a geographic "territory" or industry departments by the President.

Unions give national union presidents varying degrees of freedom to act on significant matters without the approval of the union's Executive Board or its membership. The USW President appears to have somewhat more extensive powers than his counterparts in the IAM or UAW. Not only does he have wide discretion in the hiring, assignment, and firing of staff (as do the IAM and UAW presidents), but he also has sole authority to place locals under trusteeship and to authorize strikes. In the IAM, the

President can act alone to put locals into trusteeship, but must have the agreement of the Executive Council to call off a strike. In the UAW, both of these actions must have the approval of the Executive Board.

Another important issue that the three unions must resolve if unification is to occur involves the distribution of decision-making power across the union. The UAW and the USW organizational structures are based on a "CIO" model of centralized administration where more of the decision-making power is entrusted to the International than it is in a more decentralized union like the IAM. For example, in the UAW and the USW, all headquarters and field staff are appointed by the International Presidents. In the IAM, the President appoints headquarters staff and some field staff (called Grand Lodge Representatives), but the majority of full-time field staff (usually called business representatives) are elected by the members in the local and district lodges they service.

Another distinguishing feature of union structure is the right of members and officers to appeal actions taken by the national union. The Labor-Management Reporting and Disclosure Act (LMRDA) requires that national unions have an internal appeals process. In almost all unions, the procedure culminates in a decision by delegates to the national union convention. This is the case in the IAM and the USW. In the UAW, however, members have the right to take such appeals to the UAW Public Review Board (PRB). The PRB, an invention of Walter Reuther, is a panel of distinguished academics who are known as advocates for the rights of union members. The PRB is a point of great pride and the UAW will most probably be very reluctant to give it up. On the other hand, allowing outsiders to make important decisions regarding union policies is a practice the other two unions would probably find very difficult to accept.

Another structural difference between the three unions involves the scope of membership representation. The IAM and the USW are truly International unions as they have a significant number of members in Canada, while the UAW has only a few members north of the border since the Canadian Auto Workers seceded from the union.

The unions also differ in terms of the membership status and rights of retirees. In the UAW, retired members have full voting rights, while in the IAM retirees can vote in all union elections, except those that directly involve collective bargaining (such as contract ratifications). In the USW, retirees do not have any rights to participate in union activities. They do, however, have auxiliary organizations that allow them to participate in union-related, but separate, activities.

As Table 1 suggests, membership dues in the three unions are not significantly different, although the formulas for calculating dues vary. There is, however, a significant difference in the way the unions' constitutions allocate dues monies across the organizations. The IAM, reflecting its greater degree of local autonomy and administrative decentralization, allows local unions to collect the dues and keep half of the total. Similarly, the UAW requires that locals collect all dues and turn over 62 percent to the national union. In the USW, the locals collect the dues but turn all monies over to the international which then returns 44 percent to the local. All three unions mandate that a specific part of members' dues be allocated to a strike fund. However, the UAW

directs 30 percent of total dues collected into such a fund, far more than either the IAM (2.5 percent) or the USW (7.0 percent).

A final governance issue that will need to be resolved in union merger negotiations is the compensation for elected national officers. While the IAM's officers are presently paid higher salaries than their counterparts in the UAW and the USW, the difference is not substantial (Table 2). Given that the elected officers of a unified merger are going to be overseeing a much larger organization, it is likely that salaries in the new union will be higher than those currently paid in any of the three unions.

Administration. The process of bringing together three organizations, each with several hundred thousand members, a full complement of elected officers, more than a thousand employees, as well as headquarters buildings, education centers, and other assets worth hundreds of millions of dollars is a huge and complicated undertaking. Three of the most significant administrative issues the IAM, UAW, and USW must wrestle with are how to merge the financial assets of the unions, how to consolidate the unions' staffs, and what to do with the existing headquarters buildings and education centers of the three unions.

Table 1
Dues Structure

	IAM	UAW	USW
Minimum Monthly Membership Dues	Two (2) times average hourly pay	Two (2) hours pay	1.39% of monthly earnings; not to exceed 2.5% of average hourly earnings
Local Share	50 percent	38 percent	44 percent
Strike Fund	2.5 percent	30 percent	7 percent

Source: Union Constitutions: IAM, 1997; UAW, 1998; USW, 1996.

Table 2
Compensation of International Officers

	IAM	UAW	USW
President	138,028	106,077	105,000
Sec.-Treas.	127,990	97,174	85,000
Vice-Presidents	112,932	96,697	85,000
District/Regional	n.a.	84,795	70,000

Source: Union Constitutions: IAM, 1997; UAW, 1998; USW, 1996.

An analysis of the 1997 LM-2 reports filed with the Department of Labor reveals that each of the three unions brings considerable financial assets to the unification. However, while the USW and the IAM reported \$184 million and \$192 million in net assets (total assets minus total liabilities) respectively, at the end of 1997, the UAW reported \$968 million (Table 3). Most of the difference is in the amount of U.S. treasury securities held by the unions. The UAW has between \$500 and \$600 million more in these holdings than either the IAM or the USW. The moneys kept in treasury securities reportedly constitute the union's strike funds (Department of Labor, 1997a, 1997b, 1997c).

The financial situation of the three unions raises a number of important issues. The balance sheets suggest that over the years the UAW has been able to accumulate a very healthy strike fund. The money in this fund ultimately came from members' dues and from income generated from the investment of this money. If the assets of the three unions were merged, the members of the USW and the IAM would benefit greatly from a significantly enhanced strike fund. Members of the UAW might resent putting significantly more money into the collective pot than the other two unions combined. However, in interviews, officials of all three unions downplayed the importance of the financial disparity, variously suggesting that the availability of such a strike fund would increase the bargaining power of all segments of the new union and that supporting fellow trade unionists on strike is a basic value that all the unions share.⁵

Even if this is the case and the strike funds are taken out of the equation, the UAW, as of December 31, 1997, had net assets of approximately \$359 million compared to \$177 million and \$115 million for the IAM and the USW, respectively. This significant imbalance in assets suggests that at least in a financial sense, the proposed unification does not involve co-equal parties. It also suggests that when it comes time to thrash out solutions to the difficult issues facing the parties, one union may have significantly more leverage than the other two (Department of Labor, 1997a, 1997b, 1997c).

It is difficult to determine the number of employees working for the three unions since the UAW and the USW consider all headquarters and District/Regional staff to be employees of the International union, while the IAM considers only those employ-

Table 3
IAM, UAW, and USW Finances, 1997

	Total Assets	Total Liabilities	Net Assets
IAM	\$193,486,058	\$1,097,752	\$192,388,306
UAW	\$974,032,622	\$6,032,250	\$968,000,372
USW	\$319,312,750	\$135,679,034	\$183,633,716

Source: U.S. Department of Labor, LM-2 Reports, 1997

ees based at its headquarters to be employed by the International or Grand Lodge. For example, in their 1997 LM-2 reports, the UAW and the USW reported 1,640 and 1,053 professional, technical, and clerical non-elected employees as working for the respective International unions. The IAM reported only 286.

Despite the differences in their structures, it is probably safe to assume that the total number of full-time employees working for the IAM approaches the number reported by the UAW and USW. This suggests that a total of well over 3,000 employees are currently on the payrolls of the three unions. The new union will, by necessity, need to reconfigure staff assignments for many of these employees. At the headquarters level, for example, the merged union will need to combine support departments in the three unions (organizing, research, education, etc.) into one department. The three field staffs will also need to be reorganized from three separate staffs into one cohesive unit.

One of the potential benefits of such a merger are the economies of scale. This suggests that the new union might be able to provide the same, or possibly better, services with something less than the total number of staff currently employed by the three unions.

The leaders of the three unions are keenly aware of the concerns the current staffs have about job security and about possible changes in job expectations. The unions have stressed that unification is not analogous to a corporate merger in which downsizing the work force is one of the goals. They have also emphasized that there is going to be enough work to do to keep most of the current staff working and no layoffs are anticipated. Where necessary, the work force will probably be reduced by attrition. Staff concerns will likely remain, however, until the actual merger takes place.

Another related issue involves the development of unified employment policies. Currently, all non-elected, non-supervisory employees of the unions (clerical, technical, and professional) are a part of one of a number of different staff unions. The IAM and the UAW both have one union for all headquarters and field-based technical and professional staff and one union for headquarters and field clerical workers. The USW has a Staff Representatives Union (SRU) for field staff and a separate union, USW Local 3657, that includes all clerical, technical, and professional employees at headquarters and most clericals at the union's field offices. The USW also has separate unions for clericals in its Canadian offices, clericals who worked for the United Rubber Workers (URW) prior to merger, and clericals who worked for the Aluminum, Brick, and Glass Workers (ABGW) before it merged with the USW.

While an examination of the LM-2s and the various current staff contracts reveals differences in wage/salary levels, benefits, and working conditions, the differences do not appear to be substantial. Working out uniform salary and benefit plans will probably not be an insurmountable challenge, although it is likely that the unified union will have to use the highest salary and benefit levels currently being paid across the three unions as a starting point. Others could then be brought up to those levels.

In addition to establishing consistent employment policies for the staff of the merged organization, the new union will also have to establish a new internal bargaining structure. Certainly merging the nine current staff unions into a more manageable

number is something the three unions would like to see. However, legally, the decision whether to merge these unions and their bargaining units is the staff unions', not the employer unions'.

The process of merging employment policies and staff unions may be made somewhat easier by the fact that at least one of the unions has substantial experience with integrating the employment policies of different groups of staff. The USW has, since 1995, brought the staffs of the URW and the ABGW into their union. The URW and the ABGW each had a separate staff union and contract for their professional and clerical employees. The two unions' professional staff were integrated into the USW Local 3657 and the SRU. The USW assumed the existing contracts for the clerical workers and are in the process of integrating them into Local 3657. Previously, the USW had absorbed staff and staff contracts from District 50, the Aluminum Workers, and the Upholsterers. The IAM and the UAW have also had some experience in this area, but not nearly as much as the USW.

One last administrative issue that will need to be resolved involves the headquarters buildings and education centers maintained by the three unions. Solidarity House, the UAW's headquarters, is located in Detroit and was built in 1951. The USW is housed in a relatively modern building in Pittsburgh that became the union's headquarters in 1973. In 1992, the IAM left Washington, D.C. and built a new headquarters facility in the Maryland suburbs.

The unions also have well-established education centers. The UAW's is located at Black Lake, Michigan, in the far northern reaches of the state. Established in 1970, the facility is named the Walter and May Reuther Family Education Center. The USW's Education Center, established in 1978, is located at a rural site in southwestern Pennsylvania. The IAM has the newest facility. The IAM opened its Education Center on the Chesapeake Bay in southern Maryland in 1981. It was recently expanded and renamed the William W. Winpisinger Education and Technology Center, after the former IAM president.

The IAM, UAW, and USW have large financial investments in their headquarters and education facilities. They also have strong emotional attachments to them, as evidenced, in part, by the fact that the UAW and IAM education centers are named after two of the most revered figures in the history of those respective unions. Union officials have suggested that, in a union of over two million members, there might be enough "business" to keep all three headquarters and all three education centers open.⁶ This would significantly increase the cost of the unification and, at least in terms of the headquarters buildings, is probably an unlikely scenario.

In the end, these may prove to be difficult issues to resolve. Proof that the parties think this may be the case can be found in the agreement the IAM, UAW, and USW have made to leave the resolution of some particularly thorny issues unresolved until the end of the unification process. Among those issues are who will be president of the new union, what will the new union be named, and where will it be headquartered (USW, Unification News, Spring 1996; Interview, 1999).

Union Functions and Services. It is somewhat ironic that while the IAM, UAW, and USW face a large number of significant issues in their efforts to unify, relatively few of these directly involve such basic union functions and services as organizing, political action, and collective bargaining. This may be because increasing the collective effectiveness of the three unions in these areas is the driving force behind the effort to unify. It is here that the potential benefits of the merger are readily apparent. These benefits appear to greatly exceed the costs.

Although formal unification has not yet taken place, the three unions have begun to work together in a number of areas. One of the most notable of these areas of cooperation is organizing. In July 1996, the three unions signed an agreement to form "Unification Organizing Committees (UOCs)" (UAW, 1996). The agreement committed the unions to pooling their talents and resources in a number of selected organizing campaigns.

In these campaigns, the three unions would file joint representation petitions with the National Labor Relations Board (NLRB) on behalf of the new bargaining units. One of the unions would be designated as the "lead" union for the unit. That union would coordinate the efforts of all three unions. The lead union would also have chief responsibility for negotiating the first contract if the election is successful and would provide the day-to-day servicing of the bargaining unit. Under this agreement the employees in the new bargaining unit would be eligible for membership in the lead union, and the lead union would receive all dues paid by those members (IAM, 1996).

The first systematic attempt at joint UOC organizing was initiated in 1997 in the St. Louis area. The IAM, UAW, and USW assigned several organizers from their staffs to participate in this pilot project. St. Louis was chosen because all three unions have a substantial presence in this area, with a total membership of several thousand. This was critical because an important part of the joint organizing strategy involves getting local union members actively involved in handbilling, housecalls, and demonstrations (UAW, Spring 1997).

The unions see several advantages in the joint organizing approach. First, it prevents the duplication of effort that occurs when the unions compete against one another for the same group of workers. Second, they believe the approach allows them to engage in more effective campaigns by bringing together the power, resources, and talents of the three unions. Third, they believe that having the support of the three unions behind them will lead to more success in bargaining first contracts. And last, the campaigns bring together organizers, staff, and members of the different unions for a common purpose. The unions believe this creates a "bonding" experience that provides additional momentum for unification (UAW, Spring 1997).

To date, these cooperative efforts have experienced some success. The UAW reported that the St. Louis-based UOC won more elections in the first four months of 1998 than it had won in the previous year. In March and April alone the UOC won bargaining rights for 1,500 workers. Altogether, the UOC has been involved in 15-20 campaigns. Most of these campaigns have involved workers in the manufacturing or service

sectors (bus drivers, refuse haulers, and credit union employees). Given the performance of the UOCs, the unions plan to continue, and even expand, them in the years leading up to unification (UAW, 1998; Ginsbach, 1998, p. 28).

Perhaps more than anything else, the unification effort is driven by a recognition on the part of the three unions that they cannot effectively confront today's global mega-corporations without increasing their bargaining power. The "mega-union" that would be created through unification is an effort to help rectify this situation.

The three unions believe that a merger will give them additional leverage at the negotiating table by instantly increasing the extent of their representation in metal-related industries such as aerospace, auto and auto parts production, and metal manufacturing and fabrication; by increasing their effectiveness in organizing new workers through the pooling of resources; and by achieving a unified structure for bargaining which will help them match the power of the employers with which they must deal. The leaders of the three unions have cited IG Metall, the giant German metalworkers' union, as a model for the new organization.⁷

As presently constituted, the three unions differ in how they approach bargaining with employers. The UAW has the most highly structured and centralized system of the three unions. This system includes councils of local unions, International union departments, and staff members who specialize in relationships with each of the "Big Three" automakers (General Motors, Ford, and Chrysler). They also have specialized groups for other sectors with which they bargain, including agricultural implements; aerospace; and technical, office, and professional. Currently, the UAW is the signatory to roughly 2,000 labor agreements.

The USW, while less structured and centralized, also involves its locals in company-wide and industry-wide bargaining groups to a significant extent, usually under the direction of an International official. In contrast, the IAM has traditionally been more decentralized in their approach to bargaining. Since the election of President Buffenbarger, the IAM has moved toward the UAW and USW models by revamping its bargaining structure in aerospace to achieve better coordination among locals and more specialized expertise among the union's staff. Nonetheless, in 1999 the IAM had approximately 5,000 contracts in effect, most of which were negotiated by local and district lodge officials with little or no coordination or direction from headquarters.

One potentially important difference in the unions' approaches to collective bargaining involves the role of contract ratification. In the UAW members have a constitutional right to vote for any contract under which they must work. The IAM and the USW have no such provisions in their constitutions.

A third area in which the IAM, UAW, and USW have increasingly begun to coordinate their efforts is political action. Not surprisingly, the three unions have experienced little difficulty in working closely together in this area. Most probably this is because the unions share relatively similar political ideologies (liberal), take similar positions on the major issues confronting them (foreign trade, the future of social security and Medicare, worker and human rights, etc.), and very often support the same

candidates for political office (mostly Democrats). Also, as suggested above, the benefits of unification to the unions on the political front — being able to draw on a membership of over two million members for its lobbying efforts, electoral campaigns, and political action committee (PAC) fund raising — are readily apparent. This undoubtedly helps the unions build support for such joint efforts.

One specific form this cooperation has taken involves the three unions speaking with one voice to legislators. For example, in the months following the 1995 announcement of the planned merger, the three unions coordinated their efforts to defeat the Working Families Flexibility Act (H.R. 2391), also known as the “comp time” bill. In an act that was symbolic of their new unity, the chief lobbyists for the IAM, UAW, and USW together visited House Democratic leaders to articulate their opposition to the bill. In doing so, they were labeled the “heavy metal team” by the Representatives they visited (UAW, 1996).

Political cooperation among the unions reached its apex in February 1999 when they came together in Washington, D.C. for the first Unification Legislative Conference. Over 3,000 delegates joined together to listen to major political figures, attend workshops on lobbying and electoral politics, and visit Capitol Hill to lobby Congress on their joint legislative agenda. The unions’ leaderships deemed the conference a huge success and reported that it provided a great opportunity to renew enthusiasm for the merger (USW, Marching, 1999). Such events, and other cooperative ventures, play an important role by generating momentum for unification and, not incidentally, creating expectations that keep the pressure on the leaders who are negotiating the merger agreement.

VI. *Democratic Practices*

The creation of a huge, new industrial union presents an opportunity to put into place the best governing practices unions have developed to date. It is interesting to speculate what a unified union might look like if it were to adopt the best “democratic” practices of the three unions.

American unions must, according to law, operate with at least a minimum of democratic process. The LMRDA requires that union members be provided the freedom to speak, vote, and assemble in relationship to the government of their union. It goes further to define minimal democratic standards that unions must meet.

Beyond these minimal standards, unions can choose to employ or not employ a range of democratic practices. Virtually no two unions employ the same combination of practices. And clearly there is no consensus among union leaders, or among scholars, as to the optimal level of democracy for a labor organization.

One relatively simple benchmark of democratic practice is the degree to which members, as opposed to leaders, are directly involved in the decision-making process. Using this benchmark, unions could be rated on a continuum ranging from those unions in which members have only the minimum involvement mandated by law (least democratic), to those in which members have the most opportunities to participate (most democratic).

Based on this definition, a union that elects national officers by membership referendum would tend to fall towards the "more democratic" end of the continuum, and unions that elect leaders by a vote of convention delegates would be at the "less democratic" end. Another measure might be the percentage of leaders in a union that are elected as opposed to appointed. A more democratic union might elect staff representatives, for example (more democratic), as opposed to appointing them (less democratic). Whether members have a right to vote on their contract would make a union more democratic, and one that does not afford members this right would be less democratic. Finally, one might look at the rights members have to appeal leadership decisions. A process that gives members a chance to contest a decision before a board of neutral outsiders might be considered more democratic than an appeals process involving a union body (which might be beholden in some way to the union's leadership).

A unified union that made an effort to incorporate as many democratic practices as possible, using the above benchmarks, might adopt several specific practices. For instance, such a union would probably choose membership referendum for electing International officers (as the IAM and USW currently do) over convention election (UAW). Staff or business representatives would be elected (as is currently done in the IAM) and not appointed (as is the current practice in the UAW and USW). In such a model union, all members would have the right to ratify any contract (as they do in the UAW, but not in the IAM and USW). Finally, the union would be considered more democratic if it adopted a "Public Review Board" using outside arbiters (as is done in the UAW, but not in the IAM or the USW).

Clearly, two of the reasons unions restrict the level of membership participation in their organizations are cost and efficiency. A union that went to the extreme of involving members in every decision (a variation of pure democracy) would probably not be able to operate effectively and the costs of such a process would most likely be prohibitive. This becomes even more problematic in a huge union like the one proposed by the IAM, UAW, and USW. Still, because of its potential size and the relative diversity of its potential membership, there is a danger that the union could become bureaucratic and that the leadership could become distant and isolated from the membership. Considering the implications for democratic government of each structural decision made, and finding an alternative that strikes a balance between member involvement, cost, and efficiency, could help avert this potential problem.

VII. *The Prospects for Unification and Alternative Scenarios*

A great many issues remain to be resolved before the unification of the IAM, UAW, and USW can move forward. As discussed above, many of these issues involve significant and sensitive structural, political, and administrative concerns that will not be easy to resolve. While all three unions remain officially committed to unification, given the slow rate of progress, it appears increasingly unlikely that the unions will have resolved all of their differences before 2000 or even 2002.

Of the dozens of issues facing the unions, three stand out as particularly troublesome. One of the most significant structural difference the unions appear to have is

whether International officers will be elected directly by membership referendum or by delegates to the union convention. The UAW, on many occasions, has voiced its strong opposition to the referendum method, while the IAM and USW are unlikely to take the right to vote out of the hands of their members. And as this is an issue where a compromise is difficult to envision, it looms as a major roadblock.

Another serious obstacle to unification involves who will be the first president of the new union. At the time unification was proposed, the three unions expected each of their presidents to be at the point of retirement when the new union was created.⁸ This meant that the unions would not have to deal with "incumbents" and could, in essence, start from scratch in selecting a president.

However, this plan was disrupted when forty-six-year-old Tom Buffenbarger somewhat unexpectedly sought, and won, the IAM presidency in 1997. If the merger occurs in the next several years, Buffenbarger is likely to be in office as IAM president. He will be relatively young at that point and, most likely, will want to remain president of his organization. As the smallest of the three unions involved in the merger, any IAM claim to the top office of the unified union could meet stiff resistance.

The third potential roadblock is less concrete than the first two issues but could be an equally significant impediment to unification. Culture is an important part of every organization. It consists of the unofficial rules, procedures, and shared assumptions and beliefs of an organization.

Union culture manifests itself in a number of ways, including the appreciation members feel for their union's history and the pride members feel in being associated with their union. It is probably fair to say that a significant part of the membership of the IAM, UAW, and USW has strong attachments to their unions. These feelings could make it difficult for members to relinquish their association with their union.⁹

Another dimension of union culture is the way a member views himself in relation to the organization. This issue could prove more problematic. As suggested earlier, the UAW and the USW are usually characterized as somewhat centralized organizations, while the IAM is usually thought of as a more decentralized union. The natural tendency of the merging unions is to replicate the kind of union-member relations they had in their original organizations. The UAW and USW would likely be most comfortable with a new International organization that played a very active role in the lives of its members and the functioning of its locals. In some respects, one of the main reasons for unification is to bring the concentrated power of a merged union to bear on all union functions and services. Indications are, however, that the IAM is very comfortable with its decentralized approach and, in fact, may strongly resist a UAW/USW-type structure in the unified union.

The June 1999 announcement that the UAW and the USW would move ahead to merge the two unions prior to a complete unification agreement suggests that the end result of the process may be something less than full unification of the three unions. A merger of the UAW and the USW, with the IAM remaining a separate entity, is one possibility.

Another possibility, given the very difficult issues that must be resolved, is that the unions could gradually merge their operations over an extended period of time. Such a transition period would enable the unions to accelerate and expand their cooperative efforts in a number of areas while they continue to work out some of the more difficult structural and administrative details. By continuing their joint organizing, bargaining, and political efforts the unions can maintain the momentum for merger. The extra time such an approach might buy could be useful in resolving such issues as who will hold what political office and how will the duplication of staff positions be resolved. The attrition that would occur over a longer phase-in period would likely reduce the number of people affected by such decisions.

There are at least two other possible scenarios. One alternative might be a formal alliance of the three unions that falls somewhat short of complete unification. The unions could institutionalize their cooperative organizing, bargaining, and political arrangements and agree to lend mutual aid and support to one another in times of difficulty. Such a confederation might offer many of the benefits of a merger without requiring the unions to resolve the more troublesome issues. The UAW has experience with such a cooperative arrangement, having joined with the Teamsters and the United Distributive Workers (District 65) to form the Alliance for Labor Action in 1968 (Chaisson, 1986).

Another alternative would be a less formal, cooperative arrangement where the unions would continue to work together in a number of areas, but no formal agreement would be necessary. The unions could, in essence, just agree to continue the working relationships they have developed over the last five years.

Clearly, it is too early to speculate with any certainty as to the end result of this unification effort. There are many options and avenues open to the three unions to explore; the combinations and permutations that could be considered are numerous. The only certainty is that the road to unification will not be easily traversed.

NOTES

¹The full names of the three unions are International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America; United Steelworkers of America; and International Association of Machinists and Aerospace Workers.

²Shortly after this, the IAM, UAW, and USW announced that the process of bringing the unions together would not be referred to as "merger" but rather "unification," signifying that the end result of the process would be an entirely new organization. In this paper, however, the authors will use the terms interchangeably.

³Chaison (1982) has suggested that the design of governing structures of the new organization is the most common issue at impasse in merger negotiations. He cites case studies of mergers by Chitayak (1979), Bok and Dunlop (1970), and Brooks and Gamm (1976).

⁴In the USW, the National Director of Canada is also a member of the Executive Board.

⁵The authors interviewed a number of international, district, and local officials in the course of the research for this paper. Because of the sensitive nature of the on-going merger negotiations, those interviewed are not identified by name.

⁶The possibility that two or more of the education centers might remain open is made more likely by the fact that the three facilities perform different functions. Black Lake (UAW) provides family education for rank-and-file leaders. The Winpisinger Center (IAM) offers mostly staff training, while the USW Center offers a combination of both rank-and-file leader and staff training.

⁷See Craypo (1986, pp. 20-47) for a discussion of "the unions ability to make the employer pay" in which he translates classical economic theory which deals with the employer's ability to pay into a unionized setting. Unions have power to the extent that they represent the relevant work force, eliminate competitive unions, and achieve the appropriate bargaining structure.

⁸It is noteworthy that the IAM, UAW, and USW are among the minority of unions which have required their presidents to retire at age 65.

⁹Each of these unions has a strong identity that has its roots in their histories. The UAW, for example, has a proud history of social unionism and militance that they probably feel is not shared by the other two unions. The IAM, on the other hand, has its roots in craft unionism. Undoubtedly, a significant portion of IAM members view themselves as skilled, rather than industrial, workers.

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