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Using Labor's Trade Secretariats

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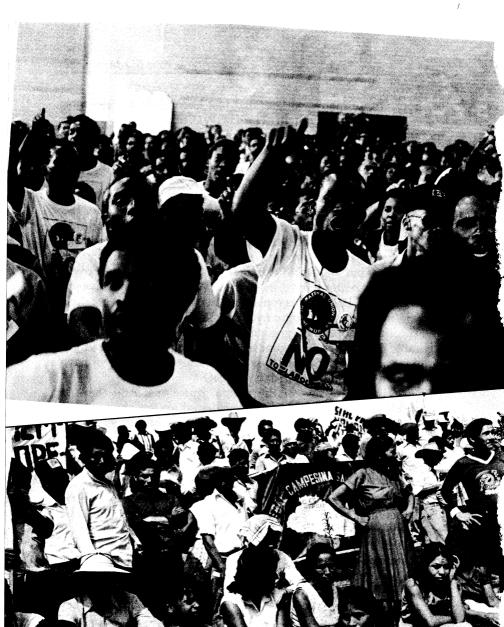
Using Labor's Trade Secretariats

Abstract

[Excerpt] An international trade secretariat (ITS) is a world-wide federation of unions in a particular industry or industries. Since their inception, ITSs have operated with their primary focus in Europe. Only one, the International Union of Foodworkers (IUF), maintains a full-time North American office and staff. But in recent years U.S. unions are placing a much greater emphasis on the activities of the ITSs and on international solidarity activities in general. The ITSs are experienced in organizing international solidarity activities, and some, such as the ICEF, are establishing special programs to more effectively monitor the activities of multinational corporations.

Keywords

international trade secretariat, ITS, International Union of Foodworkers, Europe, Industrial Union Department, Asia, South America, North America





Paths of Solidarity

Using Labor's Trade Secretariats

■ Joe Uehlein

Lorre Wyatt's song Somos El Barco includes the now well-known refrain "Somos el barco, somos el mar, yo navego en ti, tu navegas en mi"—which translated means: "We are the boat, we are the sea, I sail in you, you sail in me." This is a beautiful verse about the importance of international labor solidarity. For workers, we are the boat and the sea, and our interdependence is growing greater every day. But how do we act on this belief?

It is a sad fact and ugly reality that around the world basic freedoms, such as freedom of association, are trampled upon by corporations and governments. The deck is stacked against the working class. Most would agree that too little is being done in the arena of international solidarity. But a review of what is happening reveals a small, but exciting level of activity.

This article describes some of the international solidarity programs that the Industrial Union Department (AFL-CIO) has recently developed through working with one of the international trade secretariats—the ICEF.

An international trade secretariat (ITS) is a world-wide federation

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of unions in a particular industry or industries. Since their inception, ITSs have operated with their primary focus in Europe. Only one, the International Union of Foodworkers (IUF), maintains a full-time North American office and staff. But in recent years U.S. unions are placing a much greater emphasis on the activities of the ITSs and on international solidarity activities in general. The ITSs are experienced in organizing international solidarity actions, and some, such as the ICEF, are establishing special programs to more effectively monitor the activities of multinational corporations.

In 1987 the Industrial Union Department (IUD) was designated to act as the operational center for the ICEF in North America. "ICEF" is the International Federation of Chemical, Energy and General Workers Union, an ITS covering workers in the chemicals, pharmaceutical, energy (gas, oil, atomic energy and electric power), pulp and paper, rubber, glass, ceramic and cement industries. The ICEF maintains offices in Brussels, Belgium; Geneva, Switzerland; Tokyo, Japan; and Rio de Janeiro, Brazil.

Foreign Investment in the U.S.*

The IUD's increased participation with the ICEF developed around specific needs and campaigns of IUD-affiliated unions (which are described below), but the broader context for our increased involvement was the dramatic increase of foreign investment in the U.S. in the 1980s.

As a direct consequence of the U.S.'s huge trade deficit, foreign corporations have been investing more and more capital in U.S. companies, either by buying established firms, by setting up new subsidiaries, or through joint ventures. As of 1987, foreign interests controlled about \$1.5 trillion of U.S. assets. Most of this is in securities, including government bonds. But foreign interests also own more than \$250 billion worth of real estate, banks and manufacturing companies. They hold the outright majority interest in the cement and consumer electronics industries, and are major factors in machine tools, chemicals, auto parts, and tires.

What are they getting for their money? The world's largest market, the most stable political system, and some of the world's most advanced technology. What are we getting? Their cash has reduced our interest rates, and provided about three million full-

^{*}Much of the material in this section is taken verbatim or paraphrased from Howard D. Samuel's keynote speech at the IUD's 18th Constitutional Convention in November 1988.

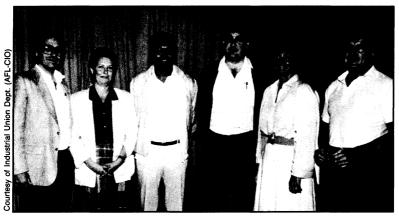
time and part-time jobs-not necessarily new.

So far so good. But there is a flip side. Having invested huge sums in the U.S., they naturally want to protect their interests. In order to do this, they spend millions of dollars on lawyers, lobbyists and public relations experts to influence how our laws are passed and enforced. Foreign investors have established over 100 political action committees and dropped \$2 million into our most recent elections. They finance public policy research and analysis too, which influences the way people think and journalists write and members of Congress vote.

While these foreign multinationals are becoming thoroughly integrated into the American social, economic, and political systems, they remain exempt from disclosure requirements. Last year the IUD and its allies supported the efforts of Congressman John Bryant (D-Texas) to include a provision in the trade bill which would oblige foreign-owned companies to disclose the same kind of information that publicly-owned U.S. companies must disclose. It seems like a fair-minded request, but these foreign multinationals went on the attack, and they won. The amendment requiring disclosure was removed from the bill in 1988.

As IUD President Howard D. Samuel stated in his keynote address to the IUD's 1988 Convention, "Foreign capital has helped save some U.S. companies from going bankrupt. Foreign investment in the U.S. has meant that some goods are made here instead of being imported from abroad. That means manufacturing jobs, which we desperately need." But, as Samuel went on to explain, not all of these foreign multinationals behave as we would like guests to behave. When it comes to companies like BASF, Kawasaki, and Honda, or Alimenta, Neoplan, Electrolux, or those in the cement industry, their investment in the U.S. has been a mixed blessing. We're glad to have the capital investment, but we're not glad to have managers and labor relations officials who break labor, employment and environmental laws, and take advantage of weak enforcement in order to keep unions out and deny workers their right to fair employment practices, safe workplaces and clean neighborhoods.

Trying to overcome the opposition of hostile foreign management, or even to engage in routine collective bargaining, trade unions are handicapped by the lack of information available on foreign firms. "We need to know who they are, how much money they're making, and who's in charge," as President Samuel said in his convention speech. Only with this basic information can we begin to analyze the powers we're up against and devise strategies sufficient to protect and advance the interests of workers



Joe Uehlein (left) and USWA International Vice-President George Becker flank four Swedish labor leaders at recent strategy meeting of Electrolux unions. The Swedes (from left) are: Margaret Zanden of the White-Collar Workers, John Fernandez and Zven Anderson, both of the Metal Workers, and Mari-Ann Krantz of the White-Collar Workers.

employed by these companies.

Foreign firms often operate in ways here that they would never think of operating at home. The U.S. has become a haven for foreign corporations seeking to avoid the practices and legal obligations of their home countries. "When in America, do as the Americans do" seems to be the operative philosophy of companies from Germany, Sweden, Great Britain, France, Japan and Italy. This is not acceptable. We must follow the model of European nations, who some time ago set high standards for foreign firms operating on their soil.

Furthermore, minimum international labor standards are needed for all corporations no matter where they choose to operate. There are, of course, international organizations, such as the International Labor Organization (ILO) and the Organization for Economic Cooperation and Development (OECD), which have certain standards and codes, but enforcement power is non-existent. The likelihood of achieving meaningful and enforceable standards and codes through these channels is remote.

There is, however, an alternate, and complimentary, path: working with foreign trade unions who have contractual relations with the same company. Direct linkages on a case-by-case and problem-specific basis can and should be organized. In many cases, basic policy decisions are made in the home country of the parent corporation, and trying to influence U.S. management can be futile. A strong foreign trade union enjoying peaceful relations with the

company may be able to help—through the exchange of information, development of joint strategies, and the ensuing exercise of combined power.

There are, of course, some drawbacks to this approach. Not all foreign-owned companies in the U.S. are organized in their home country. In some countries the labor movement is not accustomed to dealing with management in a way which could result in meaningful support. In other countries, anti-labor governments have kept trade unions weak by law or force. The labor movement in each country should be analyzed in terms of its political position and power, standing among society at large, and particularly for its position and power with the target company. In the countries that provide the bulk of incoming foreign investment, there are opportunities to enlist help; and labor movements in other countries need and deserve our help.

Cases from the IUD/ICEF Experience

Since 1984 the IUD has worked through the ICEF to coordinate several effective solidarity actions by U.S. and foreign unions. Sometimes this involves simply relaying important information, while other efforts are more complex.

An example of the power of information occurred during an organizing drive by the United Furniture Workers at a Plastiflex plant in Atlanta, Georgia. Several weeks before the election, Plastiflex, a U.S.-based multinational, put the word out that it doesn't deal with unions anywhere in the world and that it would not deal with one in Georgia. Working through the ICEF, we quickly discovered that Plastiflex dealt with a union at its facility in Belgium and enjoyed good relations. A telegram from the appropriate Belgian trade union official one week before the election blew the company's credibility right out of the water. The workers voted 2-to-1 for the union.

Other solidarity actions have been more complex and sustained.

Cement

In 1984 the U.S. cement industry, then 40% foreign-owned, launched a broad-scale attack on the Cement, Lime and Gypsum Workers, which as a result of a recent merger had just become the Cement Division of the Boilermakers. Within the next two years, foreign ownership of the U.S. cement industry grew to 60%. The Boilermakers Cement Division asked the IUD for assistance in implementing certain aspects of a comprehensive campaign that ranged from an aggressive in-plant strategy (see *Labor Research*

Review #7, "New Tactics for Labor") to the establishment of a World Council of Cement Workers Unions. The World Council was established under the auspices of the ICEF.

In March 1985 cement workers from around the world met in

Geneva, Switzerland, to exchange information and develop an international strategy designed to thwart the union-busting program of cement multinationals operating in the U.S. All the unions represented agreed to approach their employers about the situation in the U.S. and to inform them that a World Council of Cement Workers had been formed. Other forms of pressure were discussed and agreed upon. In some cases, workers sit on the boards of directors of the companies whose employees they represent. In two important cases, the unions went further.

The German cement workers agreed to help arrange, and accompany a U.S. delegation to, a meeting with Peter Schuhmacher, CEO of Heidelberger Zement, which owns Lehigh

Cement in Pennsylvania. After a five-hour meeting, Schuhmacher instructed his U.S.-based attorney, who he had brought to Germany for the meeting, to work diligently toward a settlement.

The French cement workers, a division of Force Ouvriere (FO),

The French cement workers, a division of Force Ouvriere (FO), also agreed to arrange a meeting with top-level management of the French cement multinational, LaFarge-Copée, the largest cement producer in North America. The union further offered to send their top negotiator with LaFarge-Copée to sit at the table with U.S. cement workers as they negotiate with LaFarge in the U.S. The new head of LaFarge in the U.S. was previously in charge of the LaFarge Cement Division in France, and the FO's chief cement negotiator knew this fellow quite well. The French also proposed a "sister plant" arrangement where a LaFarge cement plant in the U.S. and a cement plant in France would exchange delegations, with the costs being borne by management. They have put this proposal on the negotiating table in France (currently pending).

Hercules

Hercules
Hercules, Inc., a major U.S.-based multinational chemical, fibers, plastics and aerospace concern, employs about 15,000 workers in the U.S. and some 26,000 world-wide. Of the U.S. workers, approximately 7,000 are unionized in 35 bargaining units represented by eight different unions. The IUD maintains a coordinated bargaining committee of the various unions, which meet once a year to discuss problems and map strategy. When the company launched a series of attacks on the organized workforce, the IUD targeted Hercules for a special coordinated campaign designed to

organize the unorganized Hercules workers and to strengthen the ability of organized locals to withstand increasingly hostile attacks.

The first step, a thorough power structure analysis, revealed significant foreign investment. In fact, a large and growing percentage of Hercules' income (40% in 1986) was derived from foreign operations. Hercules has 30 plants in foreign countries and is involved in more than 30 affiliated companies and a broad range of foreign joint ventures. Hercules' foreign workforce is largely unionized.

As part of the overall long-term program, the IUD working through the ICEF established a World Council of Hercules Unions. The first meeting of this World Council was held at ICEF head-quarters in Brussels in September 1987. Hercules workers from around the world gathered to exchange information and devise joint strategies. It was agreed that a joint communique would be sent to Hercules requesting a meeting between the World Council and the company, and that a newsletter would be established. It also was agreed that rather than meeting again soon, information would be shared via a new ICEF-sponsored computer bulletin board and electronic mailbox system.

Union Carbide

In the Summer of 1988, another U.S.-based chemical company with an IUD-sponsored coordinated bargaining committee, Union Carbide, became the focus of a coordinated campaign. This time the call for help came via ICEF from a chemical workers union leader in Brazil, Jose da Silva Duque. In recent years Duque has been credited with negotiating a 78% wage increase at a Dupont plant in Brazil and achieving employment guarantees at a Brazilian Eastman Kodak facility. Union Carbide refused to recognize Duque's union at first, and later after recognizing the union, refused to negotiate.

The IUD-coordinated bargaining committee took immediate action by raising Duque's concerns with local management wherever a bargaining relationship existed in the U.S. and Canada, and by sending messages to the Union Carbide CEO in Connecticut urging a resolution of the dispute. Finally, we were able to interest the *Hartford Courant* in the story, and labor reporter Mike McGraw interviewed Duque and ran a very positive piece on the struggle.

In the middle of the campaign, Duque's members struck. Union Carbide claimed no power over the Brazilian subsidiary (a common claim), but clearly after the disaster in Bhopal, India, the company was not interested in additional negative PR. The

Brazilian chemical workers union later settled and sent messages of sincere thanks to the IUD and all the U.S. locals that helped in the effort.

Electrolux

The Swedish appliance conglomerate, Electrolux, is very well organized in the U.S., and an IUD-sponsored coordinated bargaining committee coordinates activities of the various U.S. unions. The company is also thoroughly unionized in Sweden. In a recent Steelworkers organizing campaign in Springfield, Tennessee, however, the company hired a well-known union-busting firm and waged a strong anti-union campaign. The union lost.

The Steelworkers reached out to the Swedish metalworkers during the campaign, and a delegation of Swedish Electrolux union officials visited Springfield. Similarly, a Steelworker delegation went to Sweden to discuss strategy with the Swedish metalworkers, and while there, the Swedish equivalent of 60 Minutes did an expose on the anti-union activities of the company—very unpopular in Sweden. But what's even more significant is that after the election the Swedish union was able to persuade the parent company to send a top-level management team to investigate the anti-union practices of the subsidiary operating in Tennessee. A subsequent election, at another plant in Tennessee, this time by the United Paperworkers, resulted in a victory. This time the company did not hire an anti-union firm to fight the organizing effort.

At a meeting in the U.S. in January 1989, unions from Sweden and the U.S. agreed to form an Electrolux Unions World Council and mapped plans for a coordinated campaign to demand the company's neutrality in union organizing drives.

Actions in Search of a Strategy

The important question to ask is: how does all this activity translate into a program? That is an issue both the ICEF and the IUD have been more actively involved with over the past four years. Since 1984 the ICEF has been experimenting with various new programs to facilitate solidarity actions. The IUD's designation in 1987 as the operational center of the ICEF's North American Coordinating Committee (NACC) is an expression of this new thrust. By establishing communications and working together on practical campaigns we are evolving toward a broader, more systematic solidarity program.

In November 1988 at the 18th Constitutional Convention of the

IUD, a panel discussion on dealing with hostile employers included a presentation on solidarity actions by John Fernandez, International Secretary of the Swedish Metalworkers Union. The General Board meeting prior to the convention heard a full panel discussion on the topic, featuring Fernandez, Jose da Silva Duque, ICEF General Secretary Michael Boggs, and Congressman John Bryant of Texas, the sponsor of the disclosure amendment. At the previous IUD convention two years prior, a special panel on International Solidarity Actions featured Boggs and the General Secretary of the International Metalworkers Federation, Herman Rebhan. Meetings of the ICEF NACC routinely take place now at quarterly IUD Executive Council meetings. We in the IUD, and the unions in the ICEF NACC, are working very hard to put into action the ideas and programs that come out of these various meetings and panel discussions.

In December 1988 the ICEF World Congress was held in Tokyo, Japan. Nearly 400 delegates from 50 countries gathered to review the past four years and map strategies for the next four. In his keynote address, Michael Boggs noted that if international solidarity has not worked effectively, it's because the flow of information has been too slow. A demonstration of the ICEF-sponsored electronic mail system was quite well received.

Through the system, messages can be transmitted in seconds, and at a fraction of the cost of a telephone call or express mail. A detailed, two-page call for help can be sent out to trade unionists in Southeast Asia, the U.S., Africa, South and Central America, and Europe instantaneously. Personal mailboxes are available, as well as general bulletin boards.

In addition, the ICEF headquarters office in Brussels can tap into over 600 databases and gather information on companies world-wide. This information flow is critical to the successful execution of solidarity action campaigns. The ICEF staff over the past four years has increased from eight to 14, and has the capacity



U.S. and Swedish unionists end meeting singing Solidarity Forever.

to handle 13 different languages.

In the IUD we base our international solidarity work with the ICEF on very practical organizing and collective bargaining projects. Our international solidarity campaigns are considered part of the IUD's Coordinated Corporate Campaign program. As part of our internal Coordinated Campaign Manual (a three-ring binder designed to facilitate supplements), we include a section on "Making the International Connection Work" which offers some practical guidelines for unionists venturing into this area of activity.

In every case, some general rules should be observed:

- 1. First, make contact at the earliest possible moment, even before trouble erupts if circumstances permit.
- 2. Make sure to provide complete and accurate information. Rumor and unsubstantiated information should be clearly labeled as such.
- **3. Recognize reciprocity and self-interest** as two guiding principles of international work.
 - a. Reciprocity: If you are requesting help from a foreign trade union, make it explicitly clear that you in turn stand ready to assist them when needed.
 - b. Self-Interest: The foreign union should be included in the strategy development phase of the campaign. In all cases the interests of that union should be recognized and addressed in the strategic objectives. Relationship development is critical to effective international work, and care must be taken to develop relationships based on these time-tested universal principles.
- **4. Be clear and explicit** and explain terms specific to the culture of the American labor movement (like "unfair labor practice," "decertification," and "NLRB").
- 5. Be sensitive to cultural differences. This includes specific labor movement culture such as the way unions win gains for members (e.g., the relative emphasis on political action vs. straight collective bargaining) and the general cultural aspects of society at large. It's important to know about these differences before making contact.

There are critical links or paths which can be used to make contact with the appropriate trade union. In some cases, where relationships already exist between foreign and U.S. unions in the same industry, there is no reason why contact cannot be made directly. In most cases, contact should be initiated through the appropriate international trade secretariat (ITS) with which both unions are affiliated. The relevant ITS will be familiar with the labor movements in a target country, as well as the important cultural differences.

Finally, it is often useful for the U.S trade union to inform and consult with the AFL-CIO's Department of International Affairs, which can pass the information along to the appropriate person at the foreign trade union federation, which in turn can communicate with the appropriate union. Although ultimately direct local-to-local contact will be facilitated (such as that between cement locals or locals within Hercules), it is important initially to follow these channels. In addition, the AFL-CIO European representative maintains regular contact with important resources such as the International Labor Organization (ILO) in Geneva and the Trade Union Advisory Committee of the Organization for Economic Cooperation and Development (OECD) in Paris.

Conclusion

We all need to strive to overcome cultural barriers to organizing international trade union work. Travel is more efficient than ever, and if planned properly in many cases can be as inexpensive as domestic travel. Air fare from New York City to most European destinations can be cheaper than to Birmingham, Alabama; but whereas Birmingham is considered a legitimate place for an American trade unionist to travel for meetings and conferences, Brussels is not. Trade unions everywhere must overcome this.

Translations can be arranged, although they can be quite expensive—especially for conferences. The computer has ushered in a new era of international communications that is cheap and very effective. However, the effectiveness of all technology depends on the human being using that technology. Strategy, or planning, is easy. Tactics, or the execution of plans, is hard because it relies solely on people committed to carry out the program.

Another verse of Lorre Wyatt's song Somos El Barco tells us that:

The boat we are sailing in was built by many hands, And the sea we are sailing on, it touches every sand. So with our hopes we raise the sails to face the winds once more,

And with our hearts we chart the waters never sailed before....

Somos El Barco.