LEARNING OBJECTIVES

After studying this appendix, you will be able to...

**LO1** Describe how unions in the United States are organized

**LO2** Discuss the key provisions of the laws that govern labor–management relations

**LO3** Explain how labor contracts are negotiated and administered

**LO4** Evaluate the impact unions have had on their members’ welfare and the economy, and explain the challenges that today’s unions face

Visit CourseMate at www.cengagebrain.com.
A labor union is a group of workers who have organized in order to pursue common work-related goals, such as better wages and benefits, safer working conditions, and greater job security. Few topics in the world of business generate more controversy than labor unions—they have many passionate supporters, but they also have equally fierce detractors. To their supporters, unions protect workers from exploitation by powerful employers, give them a voice in the labor market, and help them achieve a better standard of living. But critics say that unions have undermined the competitiveness of American firms in the intensely competitive global marketplace, and that they are out of touch with economic reality and the needs of today’s workers.

As is the case with many controversial topics, evidence can be found to support the positions of both critics and defenders. The purpose of this appendix is to help you understand the role unions play in today’s economy and the challenges and opportunities unions face as the U.S. economy enters the second decade of the 21st century.

**LO1 The Basic Structure of Unions**

Unions can be organized in two basic ways. Craft unions represent workers who have the same skill or work in the same profession. The United Brotherhood of Carpenters and Joiners of America and the National Football League Players’ Association are both craft unions.

Industrial unions represent workers who are employed in the same industry regardless of their specific skills or profession. Although industrial unions may have some highly skilled workers among their members, many of the workers they represent are semiskilled or unskilled workers. The Transport Workers Union and the United Steelworkers of America are both examples of industrial unions.

The basic building blocks of a national (or international) union are its local unions (often just called “locals”). Most unionized workers interact with their union through their local. It provides them with the opportunity to participate directly in union affairs by attending meetings and voting on union-related issues. The initial stages of a grievance procedure (which we’ll describe later in this appendix) are carried out at the local level, and it’s usually the locals that organize workers to carry out strike activities when labor disputes arise.

National unions provide services to their locals, such as legal advice and leadership training. They also take an active role in organizing new locals and in helping existing locals increase membership. Finally, the national union helps locals when they negotiate with employers. In many industrial unions, the national union negotiates a master contract, after which each local union negotiates a local contract to deal with issues and problems unique to its own situation.

Many national unions belong to the American Federation of Labor and Congress of Industrial Organizations, better known as the AFL-CIO. This federation provides a high-profile national voice for the labor movement. It represents American union workers at international labor conferences, lobbies Congress in support of pro-labor legislation, encourages political activism among union members, and provides resources and strategic support for efforts to increase union membership. In 2005, some of the AFL-CIO’s largest national unions, including the Teamsters and the United Farm Workers, withdrew from the federation and formed a new coalition, called Change to Win. The leaders of the unions that formed Change to Win said they did so because they were frustrated by the AFL-CIO’s inability to stem the decline in union membership—a topic we will discuss later in this appendix. With only four major
unions, Change to Win remains a much smaller organization than the AFL-CIO, but its leaders have been very active in promoting the growth of unions.¹

**LO2 Labor Laws in the United States**

Exhibit A1.1 lists the major federal laws dealing with labor unions and provides a brief description of their key provisions. Notice that the first of these laws was not enacted until 1932. For a century and a half after our nation’s founding, there were no federal laws that dealt specifically with the rights of workers to organize unions or with the ways unions could carry out their functions. This lack of legal recognition (and protection) helps explain why the labor movement struggled in our nation’s early history.

Prior to the 1930s, the prevailing legal view concerning employment relationships was based on a strict application of the concept of employment at will, which defined employment as a completely voluntary relationship that both the employee and the employer were free to terminate at any time and for any reason. Many employers took advantage of this doctrine to fire any workers they even suspected of being union supporters. Another problem that early unions faced was that—because of their lack of legal recognition—courts almost always sided with employers in labor disputes. For instance, employers usually found it easy to obtain injunctions (court orders) preventing workers from picketing their place of employment when disputes arose.

The Great Depression of the 1930s proved a turning point in labor history. As company after company announced massive layoffs, the public began to view unions as necessary protectors of workers. This change in public attitudes brought about political changes as well. Notice that the first three laws listed in Exhibit A1.1 were passed during the Depression years. It shouldn’t be surprising that the provisions of all three were largely favorable to unions.

By far the most important labor law enacted during the 1930s was the **National Labor Relations Act** of 1935 (NLRA), also known as the Wagner Act. The NLRA prevented employers from discriminating against union workers in hiring or employment practices and required employers to bargain in good faith with unions. It also established the National Labor Relations Board to investigate claims of unfair labor practices. The passage of the NLRA gave a tremendous boost to the labor movement. Union membership increased from 3.5 million workers in 1935 to 10.2 million in 1941.²

Immediately after World War II, unions began to flex their newfound strength. In the year immediately following the end of World War II, almost 5 million union workers went out on strike—including 750,000 steelworkers, in what remains the largest single strike in U.S. history. This series of strikes created serious disruptions to the U.S. economy and caused many people to fear that big labor had become too powerful.³

In response to these concerns, Congress passed the **Labor–Management Relations Act** of 1947 (usually called the Taft–Hartley Act). As shown in Exhibit A1.1, the Taft–Hartley Act placed limits on unions much as

### EXHIBIT A1.1 Major Labor Legislation in the United States

<table>
<thead>
<tr>
<th>Date</th>
<th>Law</th>
<th>Major Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1932</td>
<td>Norris–LaGuardia Act</td>
<td>• Stated that workers had a legal right to organize</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Made it more difficult to get injunctions against peaceful union activities</td>
</tr>
<tr>
<td>1935</td>
<td>National Labor Relations Act (or Wagner Act)</td>
<td>• Made it illegal for employers to discriminate based on union membership</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Established the National Labor Relations Board to investigate unfair labor practices</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Established a voting procedure for workers to certify a union as their bargaining agent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Required employers to recognize certified unions and bargain with them in good faith</td>
</tr>
<tr>
<td>1938</td>
<td>Fair Labor Standards Act</td>
<td>• Banned many types of child labor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Established the first federal minimum wage (25 cents per hour)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Established a standard 40-hour workweek</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Required that hourly workers receive overtime pay when they work in excess of 40 hours per week</td>
</tr>
<tr>
<td>1947</td>
<td>Labor–Management Relations Act</td>
<td>• Identified unfair labor practices by unions and declared them illegal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Allowed employers to speak against unions during organizing campaigns</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Allowed union members to decertify their union, removing its right to represent them</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Established provisions for dealing with emergency strikes that threatened the nation’s health or security</td>
</tr>
<tr>
<td>1959</td>
<td>Labor–Management Reporting and Disclosure Act</td>
<td>• Guaranteed rank and file union members the right to participate in union meetings</td>
</tr>
<tr>
<td></td>
<td>(or Landrum–Griffin Act)</td>
<td>• Required regularly scheduled secret ballot elections of union officers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Required unions to file annual financial reports</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Prohibited convicted felons and Communist Party members from holding union office</td>
</tr>
</tbody>
</table>

¹ Cengage Learning. All rights reserved. No distribution allowed without express authorization.

² Cengage Learning. All rights reserved. No distribution allowed without express authorization.

³ Cengage Learning. All rights reserved. No distribution allowed without express authorization.

⁴ Cengage Learning. All rights reserved. No distribution allowed without express authorization.

⁵ Cengage Learning. All rights reserved. No distribution allowed without express authorization.
the Wagner Act had placed limits on employers. In addition to these restrictions, the Taft-Hartley Act also weakened the ability of unions to require the workers they represented to become union members. Prior to Taft-Hartley, many unions were able to get closed shop and union shop clauses included in their contracts. Under a closed shop, workers must belong to the union before the employer can hire them. In a union shop, employers can hire workers who don’t belong to the union, but nonunion workers must join the union within a specified period in order to keep their jobs. The Taft-Hartley Act made closed shops illegal. And, while it didn’t declare union shops illegal, it did allow each state to enact a right-to-work law that made union shops illegal within its borders.

Twenty-two states have passed right-to-work laws, including every state in the South and many in the Great Plains and West. In these states, workers who are represented by a union don’t have to join that union. In this situation, known as an open shop, nonunion workers receive the same wages and benefits as their union counterparts. Exhibit A1.2 shows the states that have adopted right-to-work laws.

Supporters of right-to-work laws argue that workers shouldn’t be forced to join a union in order to keep their jobs—especially since the union might use strategies or adopt positions that are inconsistent with their personal values. But critics of these laws point out that they allow workers to receive the benefits of union representation without paying union dues, creating what union supporters call the free rider problem. Getting union benefits without paying dues might seem like a good deal to individual workers; however, if too many workers become free riders, the union will lack the financial resources and unity it needs to effectively represent these workers. It is not surprising that all six states with union membership rates of less than 5% in 2009 (Arkansas, Mississippi, North Carolina, Georgia, South Carolina, and Virginia) were right-to-work states.

**EXHIBIT A1.2** Twenty-two states have adopted right-to-work laws declaring union shops illegal.

**LO3 Collective Bargaining: Reaching an Agreement**

Collective bargaining is the process by which representatives of labor and management attempt to negotiate a mutually acceptable labor agreement. Federal law requires that both sides in this process bargain in good faith, meaning that they must take the process seriously and make a sincere effort to reach an agreement that is acceptable to both sides.

**Subjects of Bargaining: What It’s All About**

There is no set list of topics that are always discussed during collective bargaining, but under federal labor law certain subjects are mandatory subjects of bargaining. Mandatory topics are those that deal with wages, benefits, hours of work, and other terms directly related to working conditions. If one side makes a proposal covering one of these topics, the other side cannot legally refuse to discuss it. For instance, if the union proposes a pay raise or a more flexible work schedule, a refusal by management to engage in good faith discussions concerning these proposals would be an unfair labor practice.

Unions and management sometimes want to discuss topics beyond the mandatory subjects. In general, as long as a topic doesn’t involve a violation of the law, these other topics are considered permissible subjects of bargaining. That is, the two sides are free to bargain over them, but neither side can be required to do so. Proposals to engage in illegal activities—such as a proposal that would involve discrimination against older workers—aren’t permissible.

**Approaches to Collective Bargaining**

There are two basic approaches to collective bargaining: distributive bargaining and interest-based bargaining.
Distributive bargaining is the traditional approach to collective bargaining. The two sides negotiate, but they don’t explicitly cooperate. Each side usually assumes that a gain for one party is a loss for the other, resulting in an adversarial bargaining environment.

In distributive bargaining, the two parties typically enter negotiations with predetermined positions and specific proposals. In fact, union negotiators often present a long “laundry list” of demands at the beginning of negotiations. Many of the demands may be inflated in order to give the negotiators some room to bargain. For example, the union may initially demand a 10% raise, even though it knows that the employer would never agree to a raise that large. Sometimes management negotiators offer their own demands at the beginning of the negotiation; in other cases, they simply receive the union proposals and promise to respond at a future bargaining session.

After the two sides have presented their initial positions, they work through the specific demands, with each side accepting, rejecting, or making counterproposals in response to positions taken by the other side. This is often a very time-consuming process. The parties use every persuasive technique at their disposal—including logic, flattery, and blustery threats—to convince the other side to accept (or at least move closer to) their positions. The possibility of a strike or lockout often becomes a major concern if the two sides struggle to reach agreements.

Interest-based bargaining takes a different approach. Rather than beginning with predetermined positions and a long list of inflated demands, each side identifies concerns it wants to discuss. During the negotiations the two sides explore the issues in depth and work together to find mutually acceptable solutions. They often form teams consisting of members from both sides to work on specific issues. The goal is to find a “win–win” outcome that benefits both sides.

The success of interest-based bargaining hinges on the ability of the two sides to establish and maintain a high level of trust. Both sides must be willing to share information and explore options with open minds. Such a level of trust isn’t always present in the collective bargaining arena, but when it is, interest-based bargaining can be very successful. The Federal Mediation Service reports that parties that adopt this approach often express a very high level of satisfaction with both the process and its results.  

Once the two sides reach a tentative agreement it must be ratified by the employees it covers. The exact ratification procedure varies among unions, but it almost always requires a majority of union members to vote in favor of the agreement.

Dealing with Impasse

Collective bargaining efforts don’t always proceed smoothly toward a settlement. Sometimes after months of effort, the two sides find that they remain so far apart that they see no way to reach an agreement—a situation known as impasse. In such cases, one of the two sides may try to put pressure on the other to change their position by calling for a work stoppage. A strike occurs when the workers initiate the stoppage by refusing to report to work. A lockout occurs when the employer refuses to allow workers access to their work site. Lockouts, although still rare, have become more common in recent years. The highest profile lockouts in recent years have been in professional sports. A lockout by National Basketball Association (NBA) owners shortened the NBA 1998–1999 season; a few years later, National Hockey League (NHL) owners declared a lockout that ultimately resulted in the cancellation of the entire 2004–2005 NHL season.

During a work stoppage, unions often use picketing and boycotts to apply additional pressure to the employer. Picketing occurs when workers walk outside the employer’s place of business carrying signs with facts and slogans to publicize their position. Workers belonging to other unions often support the striking workers by refusing to cross the picket line. Picketing is legal as long as it’s peaceful and picketers don’t prevent people who don’t support the union’s position from entering the employer’s place of business.
entering the business. A boycott occurs when striking workers and their supporters refuse to do business with the employer during a labor dispute. Boycotts are legal as long as they are limited to the products and services of the firm with which the union has a direct dispute.

Strikes and lockouts are costly to both sides. The workers lose wages, and the employer loses revenue (and perhaps profits). In many states, workers who are locked out by employers qualify for unemployment benefits, but striking workers usually aren’t eligible for such benefits. Unions sometimes pay strike benefits to workers, and workers may be able to find temporary jobs. But these sources of income often fall far short of what the strikers would have earned on their regular jobs.

Businesses often try to continue operating during a strike by using managers and other nonunion personnel, or by hiring replacement workers—a practice that’s become more common in recent years. But it’s costly to recruit, select, hire, and train large numbers of new employees. And when the striking workers are highly skilled, it may be impossible to find enough skilled replacement workers to maintain operations.

Because of the costs and uncertainties associated with strikes and lockouts—and the bitterness and resentment that often linger even after they end—both unions and employers have an incentive to try to avoid such work stoppages. In fact, as Exhibit A1.3 shows, the trend in the number of work stoppages clearly has been downward over the past 40 years.


<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Work Stoppages Involving 1000 or More Workers</th>
<th>Total Number of Workers Affected (1000s)</th>
<th>Worker-Days Lost Due to Stoppages (1000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>381</td>
<td>2,468</td>
<td>52,761</td>
</tr>
<tr>
<td>1975</td>
<td>235</td>
<td>965</td>
<td>17,563</td>
</tr>
<tr>
<td>1980</td>
<td>187</td>
<td>795</td>
<td>20,844</td>
</tr>
<tr>
<td>1985</td>
<td>54</td>
<td>324</td>
<td>7,099</td>
</tr>
<tr>
<td>1990</td>
<td>44</td>
<td>185</td>
<td>5,926</td>
</tr>
<tr>
<td>1995</td>
<td>31</td>
<td>192</td>
<td>5,771</td>
</tr>
<tr>
<td>2000</td>
<td>39</td>
<td>394</td>
<td>20,419</td>
</tr>
<tr>
<td>2005</td>
<td>22</td>
<td>100</td>
<td>1,736</td>
</tr>
<tr>
<td>2009</td>
<td>5</td>
<td>13</td>
<td>124</td>
</tr>
</tbody>
</table>

Rather than resort to strikes and lockouts when an impasse looms, the two sides sometimes agree to bring in a neutral third party to move the process toward settlement. Two different approaches are possible:

- **Mediation** involves bringing in an outsider who attempts to help the two sides reach an agreement. Mediators are skilled facilitators who are good at reducing tensions and providing useful suggestions for compromise. But they have no authority to impose a settlement. If one or both sides reject the mediator’s suggestions, the mediation effort will fail.
- **Arbitration** involves bringing in an outsider with the authority to impose a binding settlement on both parties. An arbitrator will listen to both sides, study the issues, and announce a settlement. Arbitration is rare in the case of private sector collective bargaining, but the public (government) sector frequently uses this approach to reach agreements.

**Administering a Collective Bargaining Agreement**

Labor contracts tend to be long, complex documents. Disagreements about the interpretation of various clauses are not unusual. When workers believe their employer has treated them unfairly under the terms of the contract, they can file a complaint, called a **grievance**. Labor contracts generally spell out a specific procedure for dealing with grievances.

Grievance procedures usually include a number of steps. The first step normally involves informal discussions between the complaining worker and a supervisor. In many cases, an officer of the local union (usually called a union steward) becomes involved at this early stage. If the two parties can’t settle the grievance informally, the next step often involves putting the grievance in writing and discussing it with a manager above the supervisor’s level. Each successive step involves higher levels of management and union representation. The process continues until the issue is settled or the union drops the complaint. The last step in the grievance procedure normally involves binding arbitration, with both parties agreeing to accept the arbitrator’s decision as final.

**LO4 The State of the Unions: Achievements, Problems, and Challenges**

Let’s conclude our discussion by looking at the impact unions have on the compensation of employees, job security, and worker productivity, and at the challenges unions face as they move further into the 21st century.
Unions and Compensation
Evidence from a variety of studies suggests that union workers do earn higher wages than nonunion workers with similar skills performing similar jobs. Although different studies report somewhat different results, most studies find that on average union workers earn about 10 to 20% more than nonunion workers performing similar work—and in some occupations the differences are even larger. Exhibit A1.4 compares median wages in 2009 for union and nonunion workers in several industries. Keep in mind, however, that some of the disparities between union and nonunion wages may be due to other factors, such as differences in specific industries, the size of the employer, and geographic location.7

In addition to higher wages, union workers also often receive better benefits. For example, in 2009 about 92% of union workers had access to health insurance through their employer, compared with about 70% of nonunion employees. And on average the company paid about 91% of the health insurance premiums for union workers but only about 80% of the premiums for nonunion workers. Similarly, 83% of union members had access to employer-provided life insurance compared to 59% of nonunion workers. Finally, 82% of union members had paid sick leave, while only 63% of nonunion members had this benefit. Interestingly, a slightly higher percentage of nonunion members than union members had paid vacations (76% to 73%).8

Unions and Job Security
The terms of labor contracts and the presence of grievance procedures provide due process to workers who are fired or punished for arbitrary reasons. Union workers who believe their employer has unfairly dismissed them can seek reinstatement through the grievance procedure. If their grievance succeeds, their firm may be required to reinstate them and award back pay. Although nonunion workers have gained some defenses against arbitrary dismissal over the years, their protection isn’t as extensive or well-defined as it is for union members.

But union workers do face a different type of problem with their job security. It isn’t unusual for workers in heavily unionized sectors of the economy to experience layoffs during economic downturns. And many heavily unionized industries in the United States have faced steadily increasing foreign competition over the past three decades. Faced with this threat, several unions have agreed to wage cuts and other concessions in an attempt to preserve jobs. Even with these concessions, both temporary layoffs and permanent job losses have remained more common in heavily unionized segments of the economy than most other sectors of the economy.

Unions and Productivity
Critics of labor unions commonly argue that unions negotiate work rules that hurt productivity—which ultimately undermines competitiveness in the global economy. They contend that work rules too often require employers to use more labor than necessary for various tasks and make it difficult for firms to innovate and introduce more efficient methods. Indeed, critics argue that these inefficient union-imposed work rules are a major reason why American firms have lost their ability to compete in the global market.
But defenders of unions argue that unions often increase productivity by reducing worker turnover—experienced workers tend to be more productive than newly hired workers—and by improving worker morale. Some defenders also point out that craft unions often require their workers to undergo extensive training, such as apprenticeship programs, that greatly improves their skills.

Real-world evidence has failed to resolve the issue. Some studies have shown that unions decrease productivity, whereas others have found evidence of increases. These mixed results suggest that productivity doesn’t depend so much on whether a plant is unionized, but rather on how well management and the union cooperate to find solutions to the challenges they face. That’s one of the reasons many labor experts believe that the use of interest-based bargaining holds such promise.

The Challenge of Declining Private Sector Union Membership

Union membership in the public (government) sector is alive and well. Unions representing teachers, firefighters, police officers, and state and municipal workers remain strong, with many growing rapidly over the past 30 years. In fact, with about 3 million members, the National Education Association is the largest union in the United States by a wide margin. Overall, unions represent 36.8% of workers in the public sector.

In contrast, the union movement in the private sector experienced a sustained and dramatic drop in membership from the early 1980s through the early years of the new century. Several unions in the private sector—including those in iconic industries such as autos, steel, and textiles—saw their memberships drop by hundreds of thousands of workers over this time period. In 2009, only about 7.2% of the workers in private industry belonged to a union. The steep decline in private sector unions is the main reason overall union membership dropped from 20.1% of all wage and salary workers in 1983 to 12.3% in 2009. As we mentioned earlier, frustration with this trend led seven of the largest unions to withdraw from the AFL-CIO and form Change to Win.

Two key factors have contributed to the steep decline in private sector unions. The first is the dramatic change in the structure of the U.S. economy. The traditional manufacturing base of the U.S. economy (which has been a union stronghold) has declined in importance as U.S. goods producers have lost market share to foreign competitors. The loss of employment in the manufacturing sector has been offset by job growth in high-tech occupations and in professional jobs in financial services and health care.

Now That’s a Student Union

There were only five strikes in the United States that involved more than 1,000 workers in 2009. Perhaps the most unusual of these was by Illinois Federation of Teachers Local #6300, an organization comprised of graduate students employed by the University of Illinois. The local, known as the Graduate Employees Organization (GEO), called its work stoppage for November 16, 2009, when the two sides reached an impasse following nearly seven months of hard-nosed negotiations.

The main sticking point in the negotiations involved tuition waivers for graduate assistants. During negotiations the university had consistently stated that it would guarantee waivers only for in-state graduate students. The union pointed out that if the university revoked waivers for out-of-state students, many of them would face tuition costs of $13,000 per year—an amount that would essentially wipe out the total amount earned by the grad students. The union argued that this would amount to asking the graduate students to pay to work for the college.

The strike caused hundreds of classes to be suspended. Despite miserable weather, over 1,000 graduate students showed up to walk picket lines in front of several classroom buildings. Some of the musically inclined union members even formed a drum corps to liven up the picketing. The picketers handed out information to students and full-time faculty in an attempt to garner their support. This met with mixed results. Most classes taught by full-time faculty—as well as some taught by graduate students who weren’t members of the GEO—still met, but several full-time faculty members and many undergraduate students supported the strikers by refusing to cross the picket lines.

After two days of strikes the university agreed to continue providing tuition waivers for out-of-state graduate student workers—a major victory for the students. In fact, most observers concluded that the union came out on top in most respects. In addition to protecting tuition waivers, the union also got improved healthcare benefits, two weeks of unpaid parental leave, and a salary increase of 10% over three years.
jobs. But highly skilled workers in these sectors tend to be less receptive to union representation than workers in the manufacturing, mining, and construction industries.

A second major factor has been an increase in the use of aggressive anti-union strategies by many firms. A study by Professor Kate Bronfenbrenner, Director of Labor Education Research at Cornell University’s School of Industrial and Labor Relations, examined employer responses to union-organizing efforts in the United States from 1999 to 2003. Her study found that 96% of employers mounted an active campaign against the union. Tactics were many and varied; 70% of employers sent out anti-union letters, 64% had supervisors question workers about their union support, 57% threatened to close down some or all of their plants if workers voted in favor of the unions, 47% threatened to cut wages or benefits, and 28% tried to infiltrate the union-organizing committee.\footnote{13}

For their part, employers point out that the anti-union information they provide to workers reflects real concerns about the impact unions would have on their ability to compete in a global economy. Union critics also point out that workers are often pressured by union organizers and pro-union peers into voting in favor of union representation.\footnote{14}

Another increasingly common strategy is to make much greater use of temporary workers and independent contractors who often aren’t eligible for union membership. And as we mentioned earlier, employers have become more willing to use replacement workers during strikes. In fact, the United States is one of the few industrialized nations where hiring permanent replacements for workers engaged in an economic strike is legal.\footnote{15}

For two decades, the AFL-CIO and national unions tried to counter the downward trend in membership by increasing their emphasis on recruiting members and organizing new locals. Until very recently, these efforts showed little success. But from 2006 to 2007, union membership in the private sector increased slightly both in terms of total membership and the percentage of the labor force—the first such increase in 25 years. Membership increased yet again from 2007 to 2008—this time by a more significant margin. But from 2008 to 2009 union membership declined by 771,000, wiping out almost all of these gains. However, a report by the Bureau of Labor Statistics attributed most of this decline to the severity of the recession in 2009. It is unclear whether union membership will resume its upward trend once the economy fully recovers.\footnote{16}