

Labor monopoly.  
(1957)

# **UNION MONOPOLY POWER**



**CHALLENGE TO FREEDOM**

by Cola G. Parker

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*The entire nation is aroused at the evidence which is being brought to light of corruption, racketeering, strong-arm tactics, violation of individual rights, and dictatorial arrogance on the part of union leadership in dealing with employers, employees and the public.*

*In a recent address, Cola G. Parker, Chairman of the Board of the National Association of Manufacturers, pointed out these evils arise when union leaders are permitted to exercise monopoly powers, and that they will not be corrected until these powers are brought under control.*

*The following excerpts from this address present, briefly and tersely, the basis on which union monopoly rests and the steps which must be taken to remove this threat to the nation's freedom and economic stability.*

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# UNION MONOPOLY POWER

## *Challenge to Freedom*

AN ADDRESS BY  
COLA G. PARKER

**A**mericans always have been proud of the term “free labor.” We consider this one of our strongest assets. We tell ourselves it is the one advantage we possess which, in the long run, is sure to win out over the slave labor of Communism. But some of us here in America interpret this phrase differently from others.

The phrase “free labor” can have only one true meaning — freedom for the individual working man — freedom to work at any trade or calling for which he has the capability; freedom to join a union if he wants to; freedom not to join if he doesn’t want to; freedom to get out of a union if he is opposed to its actions; freedom to do his best in his work and to progress to the full extent of his capacities; freedom to support the political party or candidate of his choice.

Many union leaders interpret this phrase differently. They believe it means freedom for the union, not for the people who belong to it. They believe it means freedom for *them* to exercise monopolistic powers — to do as they please, uncontrolled and uncontrollable. And to anyone who challenges their freedom to ride roughshod

over the rights of others, including their own members, they cry "union buster" and "labor baiter."

In most of our important industries today, there is no such thing as collective bargaining between employers and the representatives of their own employees. The inevitable demands for wage increases and fringe benefits are formulated and dictated in the far-off headquarters of the national or international union. They are presented to individual employers on a take-it-or-leave-it basis. There is not much chance to argue — to protest. It's sign on the dotted line or take a strike. It is collective bludgeoning — not collective bargaining.

It is a *fact* that a handful of men — and in some cases, one man — has the power to stop the wheels of our major industries; to bring the economy of the nation to a dead halt. The government of the United States does not have this power. The President does not have it. The Congress does not have it. But the few men in control of the labor supply of basic industries — some of them among the men who sit together on the Executive Council of the AFL-CIO — *do* have it. When they don't get their way, they use it — and seemingly no power in the United States is able to stop them.

Now, we may well ask, how did these few men get such power? Did Congress give it to them? Do they exercise such power under a charter from the American people, or even from the people they are supposed to represent? The answer is NO!

The intent of Congress in enacting the labor-management legislation now on the books was to safeguard the rights of individual working people. It was not, and could not have been, the intention of Congress to set up union monopolies.

The intent of the courts in interpreting these statutes, again, was not to create union monopolies. It was to secure to the individual the right of self-organization and collective bargaining with his employer.

## *Power Rests on Compulsion*

But the laws and the decisions of the courts, while not designed to create union monopolies, have provided no definite prohibition against them and in aggregate effect have encouraged them. And through this loophole the union bosses have driven with all their energy and determination to create monopolies, in fact, in most of our basic industries.

The cornerstone on which union monopoly power rests is compulsion — compulsion on the employer to sign a union-shop agreement; and compulsion on the working man to join the union if he wants to make a living. And the basic reason for seeking monopoly power is to be able to use compulsion whenever it seems, to the holder of that power, necessary or even just desirable; as an example to others, perhaps.

Union monopoly power is sustained financially by the compulsory collection of union dues — the check-off. Members must agree in writing to have dues deducted from their pay, or they will find themselves out of jobs. Whenever the union overlords decide they need extra money for some purpose, the members are assessed. If they don't pay the assessment, there are various direct and indirect ways to compel payment.

## *Unions Unfettered by Law*

Union monopoly power and its exercise is permissible because unions are exempt from the legal liabilities under Federal law to which all other persons and organizations are subject. Because of the doctrine of Federal pre-emption promulgated by the Supreme Court, which holds that the states have no power to act in a field over which the Federal Government has taken jurisdiction, there is little the several states can do to control or regulate the operations of unions. The one exception of note is section 14 (b) of the Taft-Hartley

Act permitting state right-to-work laws; hence, the unremitting effort of union leadership to effect its repeal.

Thus, unions are in effect separate sovereignties. Their leaders are answerable to no one but themselves.

There are some in America who think this situation is perfectly all right — some people in high places, in intellectual circles, in government, and even in business. The argument goes that the so-called union shop — which in actual practice becomes the closed shop — should be a matter of contract between an employer and a union; and that any prohibition of such agreements by law is a curtailment of the right of contract.

### *Individual Rights Violated*

But what about the rights of the *individual*? Have we drifted so far from the principles of individual freedom on which America was founded that contract rights take precedence over the inherent rights of the individual?

If two parties — an employer and a union — bargaining in their own interests, can enter into a contract which violates the rights of the individual who works for that employer, personal freedom for the working man is dead in America.

Yet, efforts are being made to extend and strengthen union monopoly still further. Proposals have been made to Congress that employers and unions in the construction industries be permitted to enter into “pre-hire” union-shop contracts. Such proposals, if enacted into law, would make the unions the virtual owners of jobs in the building trades throughout the country. And obviously, then, no workman could enter the construction field without becoming a member of a union.

What happens to the human dignity and rights of the individual craftsman under these circumstances? His representation in the important matter of earning a living is all staked out for him.

He must accept it no matter how arrogant or venal it might be; and he must maintain himself in the good graces of the union if he wants to earn a living at his trade. If he opposes the union boss, he won't be certified for a job. He must, in effect, surrender his dignity, his self-respect, and his birthright as a free American.

Many who support such forced surrender of individual rights justify it on the ground that it is "practical," that it will encourage labor-management "peace," a matter in which the public has an important stake. Well, it may encourage peace all right — the peace of surrender; the peace which prevails under a dictatorship when all opposition has been liquidated. That kind of peace is the kind true Americans never have and never will accept.

### *In Bondage to Union*

Monopoly power and compulsion are being used to maintain crooks, racketeers, gangsters, and hoodlums — or their puppets and front men — in the top positions in many unions. With one hand they keep a tight grip on the working man's throat, so that he can neither move nor cry out in protest; with the other they reach into his pay envelope and into his welfare fund in order to enrich themselves.

The AFL-CIO can adopt codes of ethical practice; it can eject from its councils those who violate such codes; it can withdraw its support from union leaders revealed to be crooked — but we won't have a cleaned-up labor movement in this country as long as compulsory unionism and monopoly power are allowed to exist.

The AFL-CIO codes of ethical practice deal with the *personal* misdeeds of union leadership. They do not touch — or even recognize — the root cause which makes corruption possible. They treat symptoms of the disease and not the disease itself. It is like giving cough syrup to a victim of tuberculosis.

## *Uncontrolled Power*

With a captive membership, every head of a union is a law unto himself. He can be thrown off the AFL-CIO Executive Council. His union can be ejected from the big labor combine, as happened in the case of the International Longshoremen's Association in New York several years ago. But the officers of this union were not deposed. The AFL-CIO could not deprive them of access to the financial resources of the union, or of their steady incomes from members' dues, or of their authority over the union's welfare fund. For all of its prestige and authority, neither the AFL nor the AFL-CIO has been able to defeat the ILA in three representation elections. It now has given up trying.

So, in short, these union officials against whom charges of corruption were made could not be shorn of their power — their autocratic power which rests on compulsory unionism.

It is this power which enables union leaders to perpetuate themselves in office; to appoint their own henchmen to the key positions and to the elective bodies which elect the union officials; to remove from office any local official who dares to question the actions of the top man and put a "stooge" in his place as trustee. It is this power which enables them to operate unions as their own private principalities. It is this power which must be curbed.

It is being used to compel many people to join unions against their will and once they are in, to push them around with no regard whatsoever for their rights or their feelings as human beings. The instances which can be cited run into the thousands and tens of thousands. Union members have been beaten, thrown out of the hall, shot, intimidated, fined, suspended, and reduced to whining supplicants because they dared to question the actions of their union leaders. Many unions, from



the locals up to the front office of the international, are run by tightly knit cliques, who, like storm troopers, take orders and carry them out ruthlessly. In these, the rank-and-file member has nothing — absolutely nothing to say. He is shouted down if he tries to protest within the union; he is brought up on charges “unbecoming a union member” if he protests outside the union; he cannot resign in protest without forfeiting his job and his livelihood.

### *Three Props to Monopoly Power*

The props which gave rise to and now sustain union monopoly power are three in number: the immunities under the law which are available to unions but denied to all other persons and organizations; compulsory union membership in thirty of our forty-eight states, including nearly all of the highly industrialized ones; and the ability of union leaders to tap the funds of union members to support political candidates who will do their bidding and to defeat candidates they fear will curtail their power.

If unions are subjected to the same kind of laws which govern the conduct of all the rest of us, they will not be able to engage in the anti-American and anti-social practices which are common today. Boycotts, restraints of trade, price fixing, allocation of territories and similar harmful acts now engaged in by unions will become subject to legal process.

If compulsory unionism is outlawed, unions will have to devote more attention to service to their members and service to the community, and less to extending their power and authority over both. Any supposedly voluntary association which needs compulsory membership in order to survive and thrive is obviously not operating in the best interests of those whose money supports it. According to union leadership, the union shop is necessary for union security. But they are the only voluntary

organizations making claim to the necessity for compulsion; and Samuel Gompers always fought against it. In my opinion the only kind of security they are entitled to is the security which comes voluntarily from a loyal and enthusiastic membership for whose true interest they are always working. The fact that union leaders say they need compulsion for security is positive evidence they are not doing this kind of job in many cases today.

### *Return to Rightful Function*

If union leaders are forced to rely on truly voluntary contributions from their members for partisan political purposes, their political reach for more power will be sharply curtailed.

If these three props are taken away, we shall remove the basis of union monopoly power in America; and unions can go about their rightful function, which is to represent their members in collective bargaining negotiations. Furthermore, they will do a much better job of it for all concerned, and mutual cooperation between employers and workers for the good of the nation will become a reality.