

State of the Union: A Century of American Labor
by Nelson Lichtenstein
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Reviewed by Stanley Greer

Should the law require that "democratic principles" be applied to one's private interactions? Replying to a Labor Day weekend e-mail from me, Dr. Nelson Lichtenstein, a history professor at the U. of California, Santa Barbara, said that would be highly inappropriate in his case. He quickly dismissed my suggestion that perhaps his students are entitled to the opportunity to vote on such issues as the material he covers in his course and how he presents it.

If undergraduate students knew, he wrote, "what books they wanted to read or what lectures they wanted to hear, they probably would not need to take the course in the first place." Trying to impose "democratic principles," to any significant degree, on his undergraduate courses would be "burdensome" and "awkward." In his graduate courses, he continued, students have more input, but it occurs through a "process of informal negotiation . . . between instructor and seminar as to the readings and thrust of the course." In other words, nothing is decided by a majority vote.

Why did I bother Lichtenstein about the perfectly sensible way he has chosen to run his classes? My curiosity was piqued by the fact that he believes that business owners and managers who run companies the same way constitute a grave threat to representative government in America!

Early on in his recent book *State of the Union: A Century of American Labor*, Lichtenstein approvingly quotes Frank Walsh, cochairman of FDR's National War Labor Board: "Political Democracy is an illusion unless builded upon and guaranteed by a free and virile Industrial Democracy."

In other words, businesses that make workplace governance decisions after seeking employee input through informal discussions or surveys and evaluations, just as Lichtenstein does as a professor, rather than by bargaining with designated "exclusive" spokesmen for groups of their employees or their entire workforce, are paving the way for political dictatorship.

Lichtenstein scarcely bothers to argue in favor of this contention, but it is the core thesis of his book. Readers of *Ideas on Liberty* will readily see that it turns the truth on its head.

As Howard Dickman pointed out 15 years ago in his meticulously argued *Industrial Democracy in America*, "the wholesale restructuring of private contractual relations through a political device like majority rule is a drastic and radical repudiation of another American tradition at least as old as democracy, namely freedom of contract. Legislatures have, to be sure, interfered with contractual freedom in America since colonial times. But the majority rule principle in labor law was unprecedented, in that it vested in some men the power to establish employment relations for other men, without their consent."

Lichtenstein assumes that when it comes to labor relations the majority of employees should have the legal power to regulate the affairs of the minority. Labor laws should prevent employees with minority views from even sharing those views with their employer. This is what he means by "industrial democracy." And Lichtenstein refuses to consider the possibility that 90% of today's American employees have opted for workplaces that do not conform to his vision of "democracy" because they find it distasteful. Instead, he blames employer opposition to unions, overlooking published data showing that in Canada, where active employer opposition to unionization is severely restricted, Organized Labor's "market share" of private-sector employment plummeted by 30% between 1975 and 1999. The real decline may have been even steeper, according to Dr. Leo Troy, a Rutgers U. economist and specialist in U.S. and Canadian labor relations.

Actually, not even Lichtenstein himself can consistently live with the vision of "industrial democracy" that he endorses. Federal labor law currently bars groups of workers from democratically making any number of decisions. For example, under the 1932 Norris-LaGuardia Act, no group of employees can vote to authorize the employer to fire any dissenting employee who wishes to belong to a union or pay dues to a union. The presumption of this law is that the veneer of "democracy" cannot validate an anti-union "yellow dog" shop. And Lichtenstein hails Norris-LaGuardia as a

legislative milestone. This means that, in some cases, at least, he agrees that a workplace decision isn't legitimate simply because it's made "democratically."

What little I know about how Lichtenstein runs his classes in Santa Barbara strongly indicates that, in practice, he has a far better grasp of the role of "democracy" in the private sphere than he does in theory. He would do well to try to integrate this information into his next book about labor relations.

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