

Econ & Mgmt 353 Labor Law, Unions, and Management – Fall 2008

Professor Greg Saltzman

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Office hours: Please feel free to stop by my office without an appointment, though you can make an appointment if you wish. I am frequently in my Albion office at the following times:

Mondays	10-11 AM, 1:10-2 PM, 3:45-4:30 PM
Tuesdays	10-11 AM, 1:10-4 PM
Wednesdays	10-11 AM, 1:10-2 PM, 3:45-4:30 PM
Thursdays	10:10-11 AM, 1:10-4 PM
Fridays	Almost never. (At my University of Michigan office or at home.)

If you make prior arrangements with me, then I am also happy to meet with you in my office most Mondays, Tuesdays, or Wednesdays (but not Thursdays) from 12 to 1 PM.

Classes Mondays and Wednesdays 2:10-3:30, Norris 100.

This course provides a multi-disciplinary introduction to the labor movement, the law of union-management relations, and collective bargaining. The course is designed to be useful for those considering careers in management, law, or public policy, as well as for those interested in a nontechnical course on economic issues.

There are no prerequisites for this course, although it is helpful to have had at least one semester of economics.

REQUIRED READINGS:

A required text is available for purchase at the bookstore:

John Budd, *Labor Relations: Striking a Balance*, 2nd ed. (New York: McGraw-Hill, 2008).

In addition, short readings will be available either online or on library reserve. I am assigning a paperback book which, unfortunately, is out of print: Bernard Karsh, *Diary of a Strike*, second edition (Urbana, IL: University of Illinois Press, 1982). I will put multiple copies of the Karsh book on reserve in the library. Students may be able to buy used copies of Karsh on the Internet.

You may also find it useful to subscribe to a good newspaper.

COURSE REQUIREMENTS AND GRADING WEIGHTS:

<i>Assignment</i>	<i>Weight</i>	<i>Due Date</i>
Short paper on Terkel reading	10%	Monday, September 8
Short paper on Karsh book	10%	Monday, October 27
Labor law oral presentation and short paper	15%	Papers due Monday, December 1
Clipping file	15%	Monday, November 24
Test 1	20%	Wednesday, October 15
Test 2	20%	Wednesday, December 10, 8-10 AM
Collective bargaining game	10%	Proposals due Monday, November 10, Contract due 10:30 AM Tues., Nov. 18

TERKEL PAPER

This paper is based on several interviews (mostly with employees of an auto assembly plant) presented in Studs Terkel's book, *Working*, pp. xxxi-xxxvii and 159-194. The assigned pages (the interviews with Mike Lefevre, Phil Stallings, Jim Grayson, Hobart Foote, Ned Williams, Tom Brand, Wheeler Stanley, and Gary Bryner) are on reserve at the Albion College Library.

Papers should be approximately two to three pages, typed double spaced with one-inch margins. Please staple your pages together, and number pages beyond the first page.

Your topic should be chosen from the list below. You may, instead, write on another topic related to the Studs Terkel reading assignment IF you have obtained prior approval from the instructor.

TOPIC 1:

Statement A: Your position in the hierarchy determines how you see your job, the people you deal with on your job, and the company as a whole.

Statement B: How you see your job, the people you deal with on your job, and the company as a whole determine your position in the hierarchy.

Take a position on these statements. Which do you find more convincing? Explain your position fully, and defend it with specific examples from Terkel.

TOPIC 2: According to Milton Friedman (an economist who won the Nobel Prize), an unregulated market economy has the virtue that people are "free to choose." ***Based on the material in the Studs Terkel reading***, how would you evaluate Friedman's argument?

TOPIC 3: How has the Studs Terkel reading changed your views about one or more of the following:

- (a) what it's like to be a blue-collar worker
- (b) the need for unions
- (c) the roles of a good manager

TOPIC 4: You are the assistant personnel director of the Chicago division of the Octopus Conglomerate Corporation (which has recently acquired both the steel mill where Mike Lefevre works and the Ford Motor Company). Mike Lefevre and Phil Stallings have been sent to you because they have a "bad attitude." Based on the Studs Terkel reading, what seems to be the source of their attitudes? What steps ***other than disciplinary action*** would you take to deal with the problem? Your solutions may be imaginative, but any money you spend must be justified by increased productivity.

TOPIC 5: The Ford Motor Company has hired you as a management consultant to develop a plan to improve quality control at their assembly plant in Chicago. Propose a plan that will do this without significantly increasing Ford's costs. Your plan should address *all* of the following issues:

- (a) What will the plant manager (Tom Brand) and the supervisors (such as Wheeler Stanley) have to do to make the plan work? Cite any management practices described by Terkel that you think should be changed.
- (b) Refer to Terkel to show how your plan takes into account the feelings of workers like Phil Stallings and Jim Grayson.
- (c) How do you secure the voluntary cooperation of both line managers and workers in improving quality control? How do you get the union to cooperate, too?

WHAT I EXPECT FROM YOU IN THE TERKEL PAPERS

(1) *Writing*

- (a) Eliminate errors of spelling, word usage, and grammar. Check your paper for faulty punctuation, incomplete sentences, and run-on sentences. Please use a spelling checker program. You may wish to ask someone at Albion's Developing Skills Center to proofread your paper.
- (b) Make sure that you express your ideas clearly. When in doubt, read your paper to a roommate or a friend to see if he or she understands what you are trying to say.
- (c) Omit needless words.
- (d) Organize your paper well. Each paragraph should have one central idea, and paragraphs should be arranged in a logical order.
- (e) Give your readers signals to indicate where you're going. For example, you could announce the topic for a paragraph with a sentence such as, "There are three main reasons why the American labor movement is not socialist." Transitional sentences or phrases at the beginning or end of paragraphs may also help your reader.

(2) *Content*

- (a) Express your own ideas. Disagreeing with what you perceive to be my theories is just fine. Similarly, you need not agree with Terkel, although your paper must show that you understood what Terkel was trying to say.
- (b) **Interpret** the material in Terkel. Show relationships between things that do not, at first glance, appear to be related. Do some original thinking so that you can provide your reader with a new and more profound understanding of the topic.
- (c) Support your assertions with concrete examples from the book or with reasoning. Select examples carefully; include them in your paper only if they make your argument more convincing.
- (d) Avoid summarizing merely for the sake of summarizing.
- (e) Speak to the question. Your paper should be relevant to the assigned question and the assigned reading.

The world is full of people who can read and follow a recipe. At Albion, we try to train chefs—people who will create wonderful new dishes that nobody ever thought of before. It's not easy to become a chef. That is your challenge.

KARSH PAPER

Write an essay on Bernard Karsh's *Diary of a Strike*. If you want to write on a topic other than one listed below, then you must obtain prior approval from the instructor. Papers should be typed double spaced and should be approximately two to three pages long. They will be graded according to the same criteria used for the Terkel papers.

TOPIC 1: Shortly after the Saylor strike ended, *Saylor News* editor Milo Smith wrote, "The strikers lost 14 weeks' pay, and they gained a 10 percent raise. Thus, it will take them over two and a half years to recover their losses. It seems that the strike was not worth it."

Evaluate Smith's argument. Give several reasons why it may or may not be valid. Back up your reasons with specific facts from the book. Consider the many issues and people involved.

TOPIC 2: It has been said that "Good unions don't need the union shop; bad unions don't deserve it." But Phil Draper, the union organizer, said that some form of union shop clause was part of the "absolute minimum which would give us [the union] a reasonable opportunity to survive for one year."

Comment on the underlined proposition, using specific examples from the Karsh book to illustrate your points.

TOPIC 3: "Facts . . . are never gathered at random. . . Theory makes specific for the reader the color of the glasses through which the researcher was looking when he gathered his data."

Comment on the color of Karsh's glasses. Back up your comments with examples from Karsh's book. **WARNING:** You must do more than simply paraphrase what Karsh says in the first chapter. To get a passing grade, you must add your own ideas.

TOPIC 4: The essence of the strike [is] human beings acting together. . . groups and their relationships between and among each other. . . It is not merely a cessation of work in pursuit of a particular economic goal; it represents an instance of social conflict."

Comment. For example, what groups were involved? How did they interact? How did their interactions determine the resolution of the conflict?

TOPIC 5: "Institutions do not spring full-formed from the head of Zeus. Before they are institutions, they are institutions in process."

How is this statement illustrated by the Karsh book? Consider all the components necessary for the "union in process" to become a "union in fact."

TOPIC 6: "The general function of leadership is to coordinate and integrate group action. The leader defines the often highly ambiguous existing situation for his followers."

How did Phil and Helen define the situation?

LABOR LAW ORAL PRESENTATION AND PAPER

Working in teams of two, students will be required to give an oral presentation and write a short paper describing an appeals court or National Labor Relations Board decision on labor law issued between 2002 and the present. You will have to use the Lexis on-line legal research system or the NLRB web site (www.nlr.gov) to search for labor law rulings. You should also explain how this recent decision relates to relevant precedents. I will put on reserve in the library a labor law textbook for non-lawyers that should help you a lot with the pre-2000 precedents: Bruce Feldacker, *Labor Guide to Labor Law*, 4th edition (Upper Saddle River, NJ: Prentice-Hall, 2000). Lexis or the NLRB web site can provide more recent precedents. I will work with each team to try to identify appropriate topics. Advocate web sites with relevant information include:

Pro-union: <http://www.americanrightsatwork.org/>

Anti-union: <http://www.right-to-work.org/>

The class sessions on Monday and Wednesday, December 1 and 3, will be devoted to oral presentations by the students of the results of their research. Briefly explain what the legal issue is that you have chosen, and briefly summarize any older rulings related to this issue. Spend most of your time summarizing rulings within the past 6 years related to this issue. Prepare and distribute a handout of no more than one side of one page that lists the citations for the key rulings and summarizes what they were.

Assume that your audience for the oral presentation consists of managers or local union officers who are not lawyers. Each oral presentation should be about 12 minutes, plus 3 minutes for questions. ***Both students on a team must speak during the oral presentation.***

A written report is due in class on Monday, December 1. This report should include:

1. The one-page handout that you distributed with your oral presentation
2. A short paper (approximately three pages, typed double spaced) that presents your findings
3. The printout of the recent ruling that you summarized.

CLIPPING FILE:

One of the purposes of this course is to give you background knowledge that will help you understand current events involving labor. To make sure that you get plenty of practice applying your knowledge, each student is required to submit a labor and collective bargaining clipping file. The clipping files should consist of current newspaper or magazine clippings on issues related to this course or labor relations issues, broadly defined, such as:

- labor negotiations in a particular company or industry,
- political activity by labor unions,
- union organizing among recent immigrants and low-wage workers,
- government regulation of labor-management relations or other aspects of employment, such as minimum wages,
- the impact of competition by nonunion companies on labor standards in the unionized sector of the same industry
- union complaints about how Wal-Mart treats their employees,
- the impact of international economic integration on labor, or
- labor relations issues in foreign countries.

Specific requirements for the clipping file are as follows:

- (1) A series of clippings on each of five separate topics related to this course. You should have between three and 15 articles on each topic (depending on how frequently each story has been in the news during the course of the semester).
- (2) For each of those five topics, an analytic summary to explain what has been happening this semester concerning this topic. Each summary should be one to two pages, typed double spaced. You are expected to *interpret* the facts and not merely recite them.
- (3) A collection of miscellaneous clippings on labor issues other than the five for which you have chosen to write analytic summaries.

Clippings should be grouped together by topic and packaged in some conveniently transportable form. The simplest arrangement would be to use six large paper clips to clip together the articles for each of your five topics, plus your miscellaneous articles, and then put the six batches of articles and your five essays in a large manila envelope. The grades for the clipping files will be based primarily on the quality of your five analytic summaries (perceptiveness of your analysis, English composition, and factual accuracy), although I will also consider the number of articles included and whether the dates of the articles span the semester.

In order to do this assignment, you must read a good daily newspaper. You can, if you wish, read the web version of *The New York Times* or some other paper on a computer screen, then print the labor articles you find. Alternatively, you can read the paper version and cut out the labor articles with scissors. For paper versions, you can either subscribe, or ask a friend or relative to give you their newspapers when they are done with them.

There are many good newspapers, any one of which would be sufficient. I will have sign-up sheets in class for two good national newspapers available by subscription: *The New York Times* and *The Wall Street Journal*. You can, if you wish, supplement clippings from a daily newspaper with clippings from a weekly news magazine (e.g., *Newsweek*, *Time*, *U.S. News and World Report*, *Business Week*, or *The Economist*).

BARGAINING GAME

The class will be divided into management teams and union teams, pairs of which will negotiate a labor contract for a fictitious hotel in Minneapolis. In November, each team will have to do some research and preparation, using the web site for the game: <http://www.thezinnia.com/> The web site is divided into four components: public information about the company, confidential information about the company, public information about the union, and confidential information about the union. Both sides should study the public information for the other side (as well as their own public and confidential information) before preparing their initial bargaining proposals. I will provide passwords for the confidential information on November 3.

Each team must formulate a set of initial proposals, copies of which must be given to the other team and to Greg Saltzman in class on Monday, November 10. During classes on November 12 and November 17, the parties will negotiate in an effort to reach an agreement. If you think that you will not be able to finish the negotiations in two class periods, then you are free to meet outside of class time in addition. We will have a debriefing session in class on Wednesday, November 19 (if there are no strikes) or Wednesday, December 3 (if there's a strike).

Teams that reach an agreement will be required to reduce that agreement to writing. Written contracts (which must be legible, but need not be typed) and contract cost estimates (using the Excel spreadsheet on the web site) are due in Greg Saltzman's office (101 Robinson Hall) by 10:30 AM on Tuesday, November 18. Teams will then be graded both on how much thought was put into their initial proposals and on how favorable a contract they obtained.

Teams that do not submit a complete agreement by 10:30 AM on Tuesday, November 18, will be deemed to have a strike. In cases of strikes, the union team and the management team must each submit a group paper of *at least* ten pages typed double spaced justifying their decision to strike or take a strike. This makes strikes costly—as they are in real life. Strike papers must be e-mailed to Greg Saltzman (gsaltzman@albion.edu) as a Microsoft Word attachment by 3:00 PM on Tuesday, December 2.

TESTS

The tests will cover the material in the lectures, the Budd textbook, and the photocopied readings *other* than Terkel and Karsh. The tests will *not* have questions on the material in the Terkel excerpts or the Karsh book. (These are covered by the required papers.)

I am willing to negotiate the format of the tests with the class, but I am inclined to include some short answer questions and one longer answer question chosen from two possible topics. The second exam will cover only the material in the second half of the course (beginning with Budd, chapter 8).

TENTATIVE SCHEDULE

Week of Week # Topic and Reading Assignment

Aug 25	1	-Introduction Budd, chapter 1
Sep 1	2	<i>No class Monday, September 1</i> (Labor Day) -Schools of Thought about Labor Relations -Labor Relations Environment Budd, chapters 2-3 Library reserve reading: Studs Terkel, <i>Working</i> (New York: Pantheon Books, 1974), pp. xxxi-xxxvii and 159-194.
Sep 8	3	-History and Philosophy of the American Labor Movement -Unions and Politics Budd, chapter 4 Library reserve reading: Dorothy Sue Cobble and Monica Bielski Michal, "On the Edge of Equality?: Working Women and the US Labour Movement." In Fiona Colgan and Sue Ledwith (eds.), <i>Gender, Diversity and Trade Unions: International Perspectives</i> (London: Routledge Press), 2002, pp. 232-256. Available at: http://www.rci.rutgers.edu/~cobble/out.pdf Library reserve reading: Gregory M. Saltzman, "Congressional Voting on Labor Issues: The Role of PACs," <i>Industrial and Labor Relations Review</i> , Vol. 40, No. 2, January 1987, pp. 163-179. Available at: http://www.albion.edu/econ/saltzman/congressional_voting.pdf <i>Terkel paper due in class Monday, September 8</i>
Sep 15	4	-Labor Law Budd, chapter 5
Sep 22	5	-Labor Law (continued) Library reserve reading: Gregory M. Saltzman, "Public-Sector Bargaining Laws Really Matter: Evidence from Ohio and Illinois," in Richard B. Freeman and Casey Ichniowski (eds.), <i>The Public Sector Look of American Unions</i> (Chicago: University of Chicago Press, 1988), pp. 41-78. Available at: http://www.albion.edu/econ/saltzman/Bargaining_laws_matter_1988.pdf Library reserve reading: Gregory M. Saltzman, "Legal Regulation of Collective Bargaining in Colleges and Universities," in Harold S. Wechsler (ed.), <i>NEA 1998 Almanac of Higher Education</i> (Washington: National Education Association, 1998), pp. 41-59. Available at: http://www.albion.edu/econ/saltzman/Regulation_of_Bargaining_1998_NEA_Almanac.pdf

TENTATIVE SCHEDULE (continued)

Week of Week # Topic and Reading Assignment

- Sep 29 6 Labor Movement Structure, Management Policies to Stay Nonunion
Budd, chapter 6
Library reserve reading: Morris M. Kleiner, "Intensity of Management Resistance: Understanding the Decline of Unionization in the Private Sector," *Journal of Labor Research*, Vol. 22, No. 3, Summer 2001, pp. 519- 540. Available at:
<http://www.hhh.umn.edu/people/mkleiner/pdf/unionization.pdf>
Library reserve reading: Gregory M. Saltzman, "Job Applicant Screening by a Japanese Transplant: A Union-Avoidance Tactic," *Industrial and Labor Relations Review*, Vol. 49, No. 1, October 1995, pp. 88-104. Available at:
http://www.albion.edu/econ/saltzman/job_applicant_screening.pdf
- Oct 6 7 -Union Organizing
Budd, chapter 7
Library reserve reading: Roger Waldinger, *et al.*, "Helots No More: A Case Study of the Justice for Janitors Campaign in Los Angeles," in Kate Bronfenbrenner, *et al.*, eds., *Organizing to Win: New Research on Union Strategies* (Ithaca, NY: Cornell University Press, 1998), pp. 102-119. Available at:
<http://www.sscnet.ucla.edu/soc/faculty/waldinger/articles/eight.pdf>
- Oct 13 8 ***No class Monday, October 13 (Albion fall break)***

Test 1, Wednesday, October 15 (covers through week of October 6)
- Oct 20 9 -The Bargaining Process
Budd, chapter 8
Library reserve reading: Bernard Karsh, *Diary of a Strike* (whole book)
- Oct 27 10 -Strikes; Third-Party Dispute Resolution Procedures
Budd, chapter 9

Karsh paper due in class Monday, October 27
- Nov 3 11 -Grievances and Arbitration
Budd, chapter 10

