### FOR LABOR TO BUILD UPON

One of the enduring legacies of the United States Civil War is that democracy in the workforce is an essential part of societal democracy. But the past century has seen a marked decline in the number of unionized employees, a trend that has increased with the rise of the Internet and low-paying, gig-economy jobs that lack union protection. William B. Gould IV takes stock of this history and finds that unions, frequently providing inadequate energy and resources in organizing the unorganized, have a mixed record in dealing with many public-policy issues, particularly involving race. But Gould argues that unions, notwithstanding these failures, are still the best means to protect essential workers in health, groceries, food processing, agriculture, and the meatpacking industry, and that the law, when properly deployed, can be a remedy not only for trade union–employer relationships, but also for the ailments of democracy itself.

William B. Gould IV is Charles A. Beardsley Professor of Law, Emeritus, at Stanford Law School. A prolific scholar of labor and discrimination law, Gould has been an influential voice in worker-management relations for more than fifty years and served as Chairman of the National Labor Relations Board (NLRB, 1994–98) and subsequently Chairman of the California Agricultural Labor Relations Board (2014-2017). Professor Gould has been a member of the National Academy of Arbitrators since 1970. As NLRB Chairman, he played a critical role in bringing the 1994-95 baseball strike to its conclusion and has arbitrated and mediated more than three hundred labor disputes, including the 1992 and 1993 salary disputes between the Major League Baseball Players Association and the Major League Baseball Player Relations Committee. He served as Secretary, Labor and Employment Law Section, American Bar Association (1980-81) as well as Independent Monitor for FirstGroup America, addressing freedom-of-association complaints (2008–10). Shortly after the passage of Title VII of the Civil Rights Act of 1964, Professor Gould served as a Consultant to the Equal Employment Opportunity Commission (1966-67) providing recommendations on seniority disputes and conciliation procedures and in 1967 he was a member of the very first Fact Finding Board established under the New York Taylor Law. Gould also served as Special Advisor to the U.S. Department of Housing and Urban Development on project labor agreements (2011-12) and as Independent Reviewer on Equal Employment Opportunity for the Mayor of San Francisco (2020–21). A critically acclaimed author of 11 books and more than sixty law review articles, Professor Gould is the recipient of five honorary doctorates for his significant contributions to the fields of labor law and labor relations.

## CAMBRIDGE

Cambridge University Press 978-1-009-15937-1 — For Labor To Build Upon For Labor To Build Upon William B. Gould IV Frontmatter <u>More Information</u>

# For Labor to Build Upon

### WARS, DEPRESSION AND PANDEMIC

## WILLIAM B. GOULD IV

Stanford University Law School



### CAMBRIDGE UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom

One Liberty Plaza, 20th Floor, New York, NY 10006, USA

477 Williamstown Road, Port Melbourne, VIC 3207, Australia

314–321, 3rd Floor, Plot 3, Splendor Forum, Jasola District Centre, New Delhi – 110025, India

103 Penang Road, #05-06/07, Visioncrest Commercial, Singapore 238467

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

www.cambridge.org Information on this title: www.cambridge.org/9781009159371 DOI: 10.1017/9781009159364

© William B. Gould IV 2022

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

#### First published 2022

A catalogue record for this publication is available from the British Library.

Library of Congress Cataloging-in-Publication Data NAMES: Gould, William B., IV, author. TTTLE: For labor to build upon : wars, depression and pandemic / William B. Gould IV, Stanford University Law School. DESCRIPTION: Cambridge, United Kingdom ; New York, NY : Cambridge University Press, 2022. | Includes index. IDENTIFIERS: LCCN 2021059384 (print) | LCCN 2021059385 (ebook) | ISBN 9781009159371 (hardback) | ISBN 9781009159388 (paperback) | ISBN 9781009159364 (ebook) SUBJECTS: LCSH: Labor laws and legislation – United States. CLASSIFICATION: LCC KF3319 .G68 2022 (print) | LCC KF3319 (ebook) | DDC 344.7301–dc23/ENC/20220128 LC record available at https://lccn.loc.gov/2021059385 ISBN 978-1-009-15937-1 Hardback

ISBN 978-1-009-15938-8 Paperback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

This book is dedicated to the memory of those who steered me on to the path of labor law, most notably, the late Kurt Hanslowe and the late Jack Sheinkman.

## CAMBRIDGE

Cambridge University Press 978-1-009-15937-1 — For Labor To Build Upon For Labor To Build Upon William B. Gould IV Frontmatter <u>More Information</u>

### Contents

List of Figures		<i>page</i> viii
Preface		ix
1	Introduction	1
2	An Overview	11
3	Unions, Employment Conditions, and American Exceptionalism	38
4	The Historical Backdrop	50
5	The Modern Labor Framework	66
6	The Gig Economy and All That	95
7	American Amateur Players Arise: You Have Nothing to Lose but Your Amateurism	121
8	Union Decline: Can Labor Law Revisions Be Enacted and Have an Impact?	137
9	Conclusion	176
Index		181

## Figures

4.1	U.S. union membership during the First World War: 1917–18 pa	ge 62
5.1	U.S. union membership during the Second World War: 1941-45	71
5.2	Membership of the ten largest affiliates of the Congress of Industrial	
	Organizations	71
5.3	U.S. union membership during the Korean War: 1950-53	79
6.1	Uber: The gig is up	105
8.1	The gap between productivity and a typical worker's compensation	
	has increased dramatically since 1979	138
8.2	Workers participating in NLRB elections as a share of nonagricultural	
	employment, 1951–2009	141
8.3	Union elections faster after Obama-era procedural changes:	
	Days from filing election petition to vote	142
8.4	Election speed changes at the low and high end: Percent of elections	
	by duration from petition to vote	142
8.5	Uptick in union election win rate following Obama-era changes:	
	Revisions to election procedures effective April 2015	143
8.6	Annual work stoppages involving 1,000 or more workers, 1947–2019	170
8.7	Total work stoppages in U.S. workplaces, 2000–20	170

### Preface

The beginnings of this book are in a number of writing initiatives over the years. The first comprehensive cut that I took at labor policy and reform in the early 1990s in Agenda for Reform: The Future of Employment Relationships and the Law (1993) is the most directly relevant – though earlier comparative writing of mine in Japan's Reshaping of American Labor Law (1984) had me think carefully about the roots of and assumptions about our system. My years as chairman of the National Labor Relations Board (1994-98) carried some of this thinking into the world of government in Labored Relations: Law, Politics and the NLRB: A Memoir (2000). But the Black Lives Matter movement, which assumed a crescendo-like upward movement in the wake of George Floyd's murder in May 2020, took me back to my earlier work in Black Workers in White Unions: Job Discrimination in the United States (1977) and my other work in the 1960s and 1970s, which was rekindled by my 2021 Equal Employment Opportunity Report for the mayor of San Francisco as an independent reviewer. Some earlier works, "American Amateur Players Arise: You Have Nothing to Lose but Your Amateurism" (2021) in the Santa Clara Law Review and my Bargaining with Baseball: Labor Relations in an Age of Prosperous Turmoil (2011) are developed further in Chapter 7.

I benefited from a series of talks delivered at the University of Missouri Law School in 2018 under the auspices of Professor Rafael Gely. My speech at Newport, Rhode Island, "The Old Order Faileth: Can Anything Take Its Place?" (Nov. 1, 2019), which was the keynote address under the auspices of the American Arbitration Association and Professor Matthew Bodah, assisted me in developing some of the broad themes relating to law and union organizing contained in this book. So also did a seminar and conference at Princeton University's Law and Politics Department, "The Future of Workers' Rights in America: Bernstein Lecture" (Apr. 11, 2019), organized by Professor Paul Frymer, at which I delivered a paper connecting earlier views with the gig or fissured economy as well as subsequent NLRB, judicial, and trade union developments, which became this book's basic ingredients. х

Cambridge University Press 978-1-009-15937-1 — For Labor To Build Upon For Labor To Build Upon William B. Gould IV Frontmatter <u>More Information</u>

#### Preface

But in a sense this book is based upon much more: my days as a small child and young man when I became acquainted with the cadence, music, and passion of the War of the Rebellion and the work done by the Grand Army of the Republic. I examined this in *Diary of the Contraband: The Civil War Passage of a Black Sailor* (2002). My experience has developed and expanded with what I have seen and learned since I began my legal career as assistant general counsel for the United Auto Workers in Detroit in 1961, and learned the fundamentals of mediation and arbitration under the tutelage of the late Theodore Kheel in New York City. This book is based upon first-hand exposure to labor and management at the negotiation table, in the arbitration hearing room, and in the courtroom over sixty years.

The book contains nine chapters, which are devoted to (1) a historical overview demonstrating the development of the rights of labor, attitudes toward unions by government, and reasons for union decline; (2) the lack of organizational and bargaining focus by unions in the modern era, the connection between this and the inferior economic standards existing in the United States, and what unions can present as a vision to recruit members and participate more directly in the political process; (3) an examination of "American exceptionalism" as it relates to union involvement with both health care and racial discrimination, and the impact of such on union growth; (4) an examination of history and how the crisis of war (the First World War) elevated the strength of labor; (5) the new crises of the Second World War and Korea and how the pandemic might stimulate growth as did those wars; (6) the challenge of the gig economy; (7) the development of the student-athlete movement; (8) labor's decline in organizing and labor law reform; and (9) a conclusion, with renewed focus upon the pandemic. Generally, developments beyond October 2021 could not be included and discussed. President Biden's Occupational Safety and Health Act November 2021 emergency temporary standard rule and its rejection by the United States Supreme Court in National Federation of Independent Business v. Department of Labor, U.S. (Jan. 13, 2022); Biden v. Missouri, \_\_U.S.\_\_ (Jan. 13, 2022) are discussed in Stanford's Bill Gould on Pandemic Vaccine Mandates at the Supreme Court, January 14, 2022 (https://law .stanford.edu/2022/01/14/stanfords-bill-gould-on-pandemic-vaccine-mandates-at-thesupreme-court/).

The writing of this book began just as my labor law class at Stanford Law School was completed in the spring of 2020 and the pandemic's changes for society and labor were beginning. Extremely able Stanford Law School research assistants were integral to the completion of it – David Huang, Armando Fernandez, Elizabeth Spaeth, and Zijun "Sam" Xu. Messrs. Huang and Fernandez and Ms. Spaeth helped with earlier relevant articles. The bulk of research and organizational assistance on the book itself was provided by Mr. Xu.

The Stanford Law Library was a vital resource, with George Wilson in the lead as he had been so often in the past – as well as the able Taryn Marks. The Stanford Law Library (as well as Stanford Baseball) have been the most important and valuable

#### Preface

feature of my half-century at Stanford Law School. Eun Sze, Valerie Cordova, and Skylar Rios-Merwin were extremely important in the organization of the book.

Much of my early thinking about the book's ideas, particularly relating to union organizing, were stimulated by interviews and conversations with Stewart Acuff, former organizing director and special assistant to the president of AFL-CIO, and Tom Woodruff, former director of organizing and executive vice president of SEIU.

Kathleen Schneider, regional attorney of the NLRB San Francisco office (Region 20) was invaluable with advice and help – and she enlisted her daughter, Jordan Okonkwo, to help with much of the typing. A number of able friends and colleagues read earlier drafts and provided useful and helpful commentary as well: William Abrams of Seattle; Leonard Bierman of Texas A&M University; Jeremiah Collins, formerly of Bredhoff and Kaiser in Washington, D.C.; Kate Dowling of the National Mediation Board in Washington, D.C.; Robert Flanagan of Stanford Business School; Rafael Gely, University of Missouri Law School; Robert Giannasi, chief administrative law judge (NLRB in Washington, D.C.); William Schmidt, former administrative law judge (at both the NLRB, where he was San Francisco chief judge, and the Agricultural Labor Relations Board); Sally Spencer, formerly of the NLRB San Francisco office (Region 20); Paul Spiegelman of Carmel, California; and John Trumpbour of the Harvard Trade Union Program. I am extremely grateful to all these talented people. Of course, I, alone, take full responsibility for any deficiencies in this work.

I thank Simon & Schuster Publishing, Cambridge University Press, Temple University Press, Bloomberg Law, the *Financial Times* (London), the *Santa Clara Law Review*, Larry Mishel, and John-Paul Ferguson for permissions granted.

## CAMBRIDGE

Cambridge University Press 978-1-009-15937-1 — For Labor To Build Upon For Labor To Build Upon William B. Gould IV Frontmatter <u>More Information</u>