

## IX. LERA Poster Session

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# Inter-Union Conflict in a Multi-Union, Non-Exclusive Bargaining Regime: New Zealand Lessons for the United States

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The decline of U.S. unions is of great concern to unions and workers. How might unions revive? One option, requiring no legislative change, would involve re-legitimizing minority union representation, allowing unions to organize without running the gauntlet of union certification. However, minority unionism would be non-exclusive and could foster union competition. In this paper, the nature and extent of inter-union conflict under minority unionism are re-examined, using survey data from unions in New Zealand, which has non-exclusive, non-majority union representation. The low levels and consequences of conflict suggest that the benefits of minority unionism far outweigh any potentially unfavorable effects.

## A Debate over Union Democracy: A New Approach

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The perennial debate that has existed in the literature on union democracy is over the question “Can trade unions wage their battle for democracy in society and simultaneously maintain democracy within their own organizations?” (Hemingway 1978). This debate essentially centers on the basic function of unions and raises a number of questions: Why do unions have to be democratic? Do we have unions so that we can have democratic workplaces, which would eventually enhance democratic practices in the society as a whole, or is the sole purpose of unions to improve living conditions of the employees? If union democracy is important, then how do we define it, and what are its ingredients? Once defined, can union democracy be maintained in large unions? And finally, do we still need union democracy when, in recent years, unions have already lost so much ground in the United States? The present analytical look at union democracy is an attempt to answer some of the above questions.

To establish the importance of union democracy, it is necessary to first see what unions actually do. Democracy in a society can be achieved in many ways and through many tools, and one such important tool is the institutionalization of employee representation in the shape of unions. A number of scholarly works show that unions affect societal democracy by creating a democratic culture in the workplace by diluting the

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influence of management and providing workers with greater power through solidarity; the right to due process; a changed social relationship in which employees have, in general, a greater voice; the right of representation and association; and, finally, reduced inequality in wages, resulting in a greater share in value creation.

Enhancing workplace democracy is the direct effect of unions. Unions also have indirect effects on societal democracy. First, the process of getting organized, electing representatives, and, in general, being concerned with rights and duties as employees trains employees in democratic traditions. Second, active participation in the workplace also manifests its benefits by making union members more vigilant in politics outside the organization and by encouraging their members and their members' families to participate in politics, to vote, and to support candidates who are good for the working person. Third, unions increase democracy by acting as an interest group. They represent the views of the working families, which represent the majority of people in any community. Lastly, unions increase political democracy by increasing wages. Higher wages decrease income inequality—and some measure of economic equality is essential in a society to establish political equality. Societies with huge income gaps are societies with huge majorities of disenfranchised people. Thus, by raising wages, labor unions contribute to the wider political democracy in a society.

If unions directly and indirectly create conditions that enhance democratic practices in a society, then a pertinent question is “Should the institutions that promote democracy have democratic internal structures?” In the past few decades, union density has decreased all over the United States. This paper argues that that one of the reasons for weaker unions is that unions themselves lack democratic setups. Therefore, in order to establish democratic workplaces, and eventually promote democracy in the society as a whole, unions need to recreate and redefine their relationship with their members, and develop internal democracy. It is finally argued that this democratic restructuring does not necessitate reinventing the wheel but only requires a deeper understanding of political democracy and its application in a union setting.

In order to serve the above agenda, the paper begins by analyzing the concept of union democracy in the light of major empirical works. Second, the paper analyzes the concept of political democracy by discussing the works of some present and past scholars who have discussed, defined, and outlined democratic systems. Third, the paper narrows down the basic features of democracy from the above discussion and adds to these features the concept of “political contestability” (Mitnick 1993). Political contestability states that the real test of democracy is not that the rule seems to be fair but that system is contestable and is based on broad access, openness, due process, legitimacy, and possibility of change. Fourth, the features of union and political democracy are compared, with a view to further developing the concept of union democracy. Finally, the paper discusses future research possibilities.

## References

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## Do Chinese Trade Unions Matter?

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Using China General Social Survey Data of 2008, this study empirically tests the effects of Chinese unions on workers' outcomes. Our results show that Chinese unions do not have a significant wage effect and that their effects on benefits and working conditions are weak and selective. In addition, the relationship between union membership and job satisfaction is not significant. The results are consistent with our prediction that Chinese unions do not have a monopoly face and that their Party-State face may weaken their collective voice face. The implication of our study is that Chinese unions are neither a powerful, independent institution nor completely irrelevant for workers.

## An ESOP Effectiveness Framework: Job Value, ESOP Satisfaction, Role Fulfillment, and Employee Participation

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Building on the collective rewards and psychology literature, this study regards ESOP satisfaction as an essential attitude for ESOP effectiveness and then proposes antecedents, consequences, and contexts for the ESOP satisfaction. Regression results of data from a U.S. ESOP company substantiate that ESOP satisfaction tends to be higher when employees perceive that (1) their own and coworkers' jobs have a high impact on company performance and (2) the company communicates the value of jobs to its employees. Also, it is found that employees with high ESOP satisfaction have attitudes/behaviors indicating greater role fulfillment, and role fulfillment is further increased (1) when they positively perceive their coworkers' role fulfillment and (2) when their company harnesses greater policies for employee participation. This study contributes to the employee ownership literature by identifying what makes employees satisfied with ESOPs and what motivates them to perform well under the ESOP.

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# International Framework Agreements and the Democratic Deficit of Global Labor Governance

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International framework agreements (IFAs) are negotiated documents between multinational companies (MNCs) and global trade unions that stipulate compliance with ILO core labor rights in company operations worldwide and, in many cases, across MNC supply chains. The paper discusses the potential of IFAs to address the democratic deficit of global labor governance. In doing so, it borrows concepts largely established in the field of international political economy and applies them to a labor relations problem, i.e., local impact of IFAs. The paper examines whether and how IFAs are representative, legitimate, transparent, and accountable and further assesses how democratization is shaped by institutional, subjective, and structural influences. Methodologically, it builds on case study research on two IFAs in the energy and apparel sectors.

# The Compensation of Private University Presidents

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This study examines the determinants of the salaries of private college and university presidents. OLS estimates suggest that institutional size, performance, and prestige are linked to presidents' compensation. Externally recruited presidents are paid more than those promoted from inside. Non-denominational institutions tend to pay more than religiously affiliated ones. Large class sizes and low alumni giving rates are negatively associated with compensation. In order to check whether the results are robust to alternative specifications, two-stage least squares and first differences models are employed. In these models, college selectivity and size are more closely linked to the college president's earnings than OLS implies.

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