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CAPITALIZING ON LABOR'S CAPITAL

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Introduction[1]

The recent history of labor organizations in attacking poverty and in building the social capital of poor communities is a complex one. Unions have been a major force in improving the salaries, working and living conditions, and health of workers in the United States. Nonetheless, racism, sexism, and xenophobia continue to mark segments of the labor movement, and many unions have been more concerned with servicing their dues-paying members than in building movement organizations or in using their political and economic resources to combat persistent social and economic inequality. Even so, as this paper will attempt to demonstrate, there have been important efforts by unionists to build coalitions with community groups.

The "new leadership" of the AFL-CIO has pledged to correct past shortcomings of the American labor movement and to revitalize the role of unions in political and economic development. Unions have the resources in money and votes to influence policy as well as to actually assist communities and community groups. There are success stories in the past and present, but there are also serious obstacles to building coalitions between unions and communities of poor people, particularly poor people of color.

The major obstacle is the long history of distrust grounded in the experiences of unions and community based groups with each other. Even when unions proffer alliance or direct support to community groups, they may be rebuffed. The behaviors that make community groups distrustful of unions have institutional bases that rest, first, in the emphasis by many unions on member service and business unionism, and, second, on the laws, regulations and policies that have intensified employer hostility and focused union attention on survival. However, the ideological and resource shifts being undertaken by the AFL-CIO national office and many central labor councils, international unions, and locals

may have the effect of changing the rules and practices of unions, and the long-term secular decline in union density may refocus union attention on the need for allies.

Overcoming distrust, building coalitions, and even using resources are only part of the process by which unions can provide social capital of the sort that bridges and builds political alliances (Warren, Thompson, and Saegert 1999), in this instance between unions and communities of the unemployed and working poor. Equally important are the actual development of sustained organizational capacity, successful campaigns for policy change, and real improvements in the standards of living in the communities. If the union efforts make no positive difference to the quality of community life and politics, then there is less incentive for those they are trying to attract and assist to engage in future coalition partnerships.

In this paper I shall analyze the extent to which recent organizational and institutional changes by unions might enable unions to assist communities of the economically disadvantaged to develop social capital. The emphasis here is on initiatives and other behavior by unions. However, I do not want to suggest that the community organizations are passive partners--it is sometimes the community organizations that initiate an action, as in the case of the Living Wage Campaigns, and it is always essential that the community groups find the coalition beneficial.

The first and necessary step for unions aiming to contribute to the growth of social capital within the community is building trust—or, at least, overcoming the distrust—among groups that have long been divided and often hostile. Only then will it be possible to forge coalitions and alliances or to make profitable use of the material resources unions can provide. In particular I shall consider four union strategies for reaching out to communities of poor people: 1) coalition campaigns and activities; 2) project-labor agreements as a means to ensure employment opportunities to the underrepresented in the labor force; 3) the actual use of union resources, such as pension funds, to create jobs, infrastructure, housing, and other services; and 4) unionizing among low-income workers.

DISTRUST AND UNSOCIAL CAPITAL

Coleman (1990), Putnam (1993, 1997), and Fukuyama (1995) conceptualize trust as one component of social capital. Whether trust is really an essential ingredient for wide-spread cooperation and exchange is not so clear, but what is clear is that distrust undermines coalitions and other forms of coordination (Levi 2000; also, see Kenworthy 1997). Distrust breeds distrust, and it can widen the social and economic distance between those groups who have reasons to trust and those who have reasons to be mistrustful (Hardin 1993).

Major sources of distrust are beliefs that the potential coalition partner either has competing and possibly hostile interests or is not competent to carry out the pledged action. A potential coalition partner perceived as antagonistic, incompetent, or both will be considered untrustworthy. This is especially the case when there is evidence that the potential partner does not care sufficiently about the potential trustor to take her concerns into account or otherwise lacks the incentive or capacity to fulfill a trust.[2]

The traditional relationship between unions and community groups tends to have these characteristics (see, for example, Chen and Wong 1998). Too many unions in the past have demonstrated their lack of concern for the poor whose occupations or lack of employment either made them threats to union jobs or put them outside the union framework. Unions in the United States have often been ethnic or racial enclaves; numerous examples exist of unions that have restricted membership or fought immigration as a means of protecting the labor market power of those already members of the unions. Certainly since the urban renewal programs of the 1960s, the experiences of both community-based groups and unions have tended to confirm that they have often possess competing interests in issues of economic and community development. Urban renewal projects and, more recently, stadium building, transportation programs, and downtown redevelopment might create jobs but often at the expense of the current residents and businesses of a neighborhood. Those in community-based organizations have often found themselves in opposition to union positions

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[2] I am generally following Hardin's definition of trust (1998, 12) but with some modifications (Levi 2000)

on urban development while being denied jobs in union-supported building projects that raze their homes and neighborhoods.

Unions, on the other hand, find that projects for which they have won hard-fought battles to ensure employer neutrality and jobs for union members are put at risk by the protests and lobbying of community groups. They find themselves put on the defensive by political and legal attacks on union apprentice programs and exclusive practices, and at least some of these attacks appear to have sources and support in community groups.

Distrust also has roots in lack of confidence in the political and economic competence of potential coalition partners. Unions fear that community groups lack the numbers and discipline necessary to mobilize all the people they promise to bring to the picket line, hearing, or ballot box. Community groups perceive unions as part of the establishment in the way they practice politics and economics.

Overcoming Distrust

Unions have some old and some new incentives for overcoming the mutual distrust between their members and community residents and groups. There are social programs, long on the agenda of at least some unions, that depend on the support of community based organizations if they are to become public policy. Perhaps the more pressing reason is union survival. The labor movement needs to increase union density or, at least, slow its decline, and this has led AFL-CIO strategists to encourage organizing drives among service and low-wage workers, who are often people of color or recent immigrants. Success in organizing such groups often depends on community support.

These reasons are the basis for the union interest and demand in overcoming mutual distrust, but what would motivate community groups to ally with labor? Sometimes, they share common interests around a particular campaign, sometimes there are social overlapping memberships in unions and communities or other bases for the kinds of social networks that

encourage reciprocity, and generally unions have resources CBO's might need in money and people who can protest and vote. Efforts by unions to identify and build on common rather than competitive interests are not enough. Also crucial is the development of social networks based on interdependency and reciprocity. Most importantly, the burden rests on unions to provide credible commitments that demonstrate their concern for the poor and their willingness and capacity to carry out promises.

Some of the problems in building a coalition are the result of real differences in interests, at least short-term interests. Many union officers and rank and file believe that the only concern of the union should be membership service, and even those committed to organizing will make alliances only when they are certain that the end result will be new members in a fairly short time span. Sometimes a misperception or contested interpretation of interests undermines recognition of shared interests. Unions do not count the poor as part of the working class coalition unless they work or are temporarily laid off from a union kind of industry, and community groups are not always aware of the extent to which union members are, in fact, working poor. In fact, both groups have a similar stake in such issues as low-cost and affordable housing, provision of health care and other benefits, and a living wage. They also can make their interests more compatible around major transportation and construction projects.

Common interests are not enough, however, to overcome distrust. In fact, free rider problems are an effect of the disjunction between common and individual interests. All may prefer the provision of the collective good to its non-provision yet would prefer even more the benefits of the collective good without bearing its costs. Someone who mistakenly expects others to cooperate will suffer a welfare loss, whether or not that loss is the non-cooperator's gain and intention.

It is much easier for individuals to both recognize and act on their common interests when they work together and live together, a point Marx and Engels made more than a century ago (1978 [1848]). The overlap between work and community life creates cross-cutting networks that can heighten solidarity and the capacity for collective action; such networks and social relations are exactly what many contemporary political scientists and

sociologists mean by social capital.[3] However, these kinds of connections seem to be rare, and in fact the effect of the physical divide between neighborhood and work may be to pit interests based in community against interests based in work.[4] The development of social networks requires bringing people together in associations in which they get to know each other sufficiently to make them willing to help each other. One of the most effective means is through collective action organizations engaged in contentious politics (Tarrow 2000). Such organizations are very likely to enhance trust and reciprocity among those in that organization, but the danger is distrust of those outside the organization. In the worst cases, this becomes unsocial capital (Levi 1996), motivating discrimination, aggression, and even violence among groups.

There is some chance that social networks might develop as a result of the AFL-CIO's renewed emphasis on geographic and not just workplace organizing. This may help union and community activists to discover shared causes. Historically, the Central Labor Councils played a crucial role in coordinating political, social, and economic action by the working class within an urban area.[5] Union Cities, initiated in 1997, aims to find a regional strategy that fits with the current structure of labor unions and labor laws and to provide the institutional preconditions for coalition building.

Perhaps the most effective means of overcoming distrust are credible commitments, that is procedures, rules, and institutional arrangements ensuring that the incentives of the those requesting trust are compatible with those being asked to give their trust. Credible commitments involve not only the commitment by the trusted to serve the interests of the trustor but automatic sanctions against the trusted if the trust is violated. Thus, the parliament

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[3] It is social networks that Putnam claims he now means by social capital, as he argued in his remarks to this conference and to one at Duke in October 1998.

[4] And as Katznelson (1981) has shown, in the United States the split between the political and economic lives of workers often undermines political militancy or results in ethnicity as the more crucial determinant in politics than class. In her work, Fine (1998) argues that racialization today tends to reinforce class identity among the low-wage workers in African-American, Latino, immigrant, and other ethnic communities.

[5] Gordon (1999) documents this strategy and offers an explanation of its demise that makes him skeptical of its resuscitation.

was willing to vote public funds to the Crown in the eighteenth century only after the creation of institutions that ensured the populous that the Crown would and could be punished for misuse of funds and would be inhibited from securing future funds (North and Weingast 1989). The Crown recognized that only by ceding its traditional prerogatives to parliament could it secure funds and ensure the continuation of the monarchy.

In the cases under consideration here, credible commitments by unions require going further than rhetorical recognition of the poor as part of the working class. They require more than the dedication to minimum wage campaigns and social insurance schemes that aid the working poor and unemployed, be they union members or not. They require unions to commit resources—in money, people, and reputation--to specific community groups. The aim is to overcome distrust among specific groups of people in order to achieve particular goals in particular places.

One way to make commitments credible is by making something of value to the trusted "hostage"--to use Williamson's language (1993)--" to the trustor. For unions, this means, at the minimum, giving community groups an effective veto over how the union's organizational resources and capital will be used and, at the limit, putting those resources and capital at the actual disposal of the community groups from whom they are seeking an alliance. Those resources and capital will be lost to the union unless it actually delivers on its promise to stay in a campaign until the community's goals are met as well as those of the union. It also balances out inequality among alliance partners when a strong and well-organized union seeks a coalition with an emerging or weaker community organization; such inequities can contribute to resentment and be a source of distrust. In a period of union decline, the potential loss of valuable union assets sends a strong signal to community-based groups that the unions are eager to overcome traditional barriers, build trust, and develop the social networks and cooperative exchanges essential for a real and vital coalition.

STRATEGIES FOR OVERCOMING DISTRUST AND BUILDING SOCIAL CAPITAL

Coalitions

The most obvious way for unions to help build their own social capital as well as that of poor communities is by supporting campaigns that community groups have initiated. This fits with the "iron rule" of the Industrial Areas Foundation (IAF), "Never do for others what they can do for themselves" (Saul Alinsky as quoted in Cortes 1993). However, in some cases it may be the unions that initiate a campaign that also serves the interests of poor people, and the issue is to attract community support. Whoever initiates the campaign, however, both community organizations and labor must be partners in decision making, and each must be able to deliver people when needed. Failure to meet these conditions will engender greater distrust, not reduce it.

The most prevalent coalitions are around living wage campaigns and around union organizing efforts that affect minority and immigrant communities. There are also joint efforts to ensure that large-scale development projects are union (or, at least, union neutral) and provide jobs and, when appropriate, housing, to the poor as well as to the union membership, to fight poorly conceived and discriminatory welfare reforms, and to protect and extend the right to organize.

Living Wage Campaigns

Cities around the country, beginning in Baltimore in 1995, have been passing living wage ordinances that require service contractors in projects using public money to provide a "living wage," often a wage above the federally-mandated minimum wage (Kusnet 1998, 175; Medina, ed., 1998, 51). The ordinances, at least so far, do not apply to employees of companies without government contracts (Fine 1998, 129). "Living wage" legislation can be

initiated by either community-based organizations, such as the IAF or ACORN (Association of Community Organizations for Reform Now), or by unions, either particular unions or Central Labor Councils (CLCs). As Janice Fine notes,[6] successful campaigns require the involvement of both types of organizations from the very beginning; it is hard to bring a missing partner aboard once the action has begun. Moreover, these campaigns must be bottom up if they are actually to produce meaningful legislation that will be enforced by demands from those to be affected and if they are to contribute to the long-term building of social networks that can be mobilized for future actions.[7] If those involved in the labor movement and those in community based organizations begin to work together, they begin to recognize common interests and build social networks and solidarity. If the campaign succeeds due to their efforts, they develop greater confidence in their capacity to influence policy and make change (Lipsky and Levi 1972).

The history of the Baltimore Living Wage Campaign provides a case in point.[8] The catalyst to a coalition around community development and workplace organizing was the Inner Harbor Development. This large-scale urban project required public subsidy, which in turn depended on support—or, at least, the absence of protest and resistance—from the city's predominantly black population. An alliance was formed between BUILD (Baltimoreans United in Leadership Development), an IAF organization, and the international AFSCME (American Federation of State, County, and Municipal Employees), the largest union representing government employees. The immediate result was an intensive joint organizing campaign, especially among building service workers such as janitors.

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[6] Fine's statements are drawn from notes taken by Levi et al. (1998).

[7] Ron Judd, Executive Secretary, King County Labor Council, AFL-CIO, describes how he has had to resist the efforts of Seattle and King County council persons to initiate such legislation before the community and union base was ready. Steve Kest, Executive Director, ACORN, has had similar experiences and also argues that it is essential it be a grass-roots movement if it is to build the kind of power base necessary to sustain the change. See Levi et al. (1998).

[8] This description is drawn from that provided by Arnie Graff, Industrial Areas Foundation, and recorded by Levi et al. (1998), Fine (1998), and Walsh (1999).

The first step was to encourage the mayor to pass a "right to organize" ordinance, which he helped to do in the summer of 1994. The legislation protects the worker by voiding the contract of a contractor who fires someone for organizing and by hiring the fired person onto the City payroll. The next step was a campaign for a living wage pegged to the inflation rate and applicable to city contractors. The Baltimore City Council passed a Living Wage ordinance in 1995. The organizers believed that these two ordinances would ensure some job stability, but they failed to inhibit the firing of activists and organizers.

ACORN has also been involved in several living wage campaigns that represent alliances between community groups and labor unions (ACORN, 1998). Some of these campaigns, for example, Detroit, were initiated by the national AFL-CIO, some (San Jose) by the CLC, and some (Cook County, Ill.) by union locals and ACORN together, but all required a joint partnership and commitment of resources. There are campaigns currently under way in St. Louis, Little Rock, Dallas, and Denver.

From the labor movement's point of view, the living wage campaigns are most likely to be successful and sustained when linked with organizing drives, which mean even failures in passing legislation can represent labor movement gains. In Houston, the ordinance lost citywide but won in low-wage neighborhoods. Moreover, the joint campaign with SEIU (Service Employees International Union) Local 100 helped the union succeed in its efforts to organize Head Start workers. In New Orleans, the community-labor coalition targeted hotel workers, which then became the focus of an organizing drive by HERE (Hotel and Restaurant Employees). In Oakland, where the ordinance passed, the effect was to frighten the Port Authority, which was not covered and which then initiated conversations about how to get covered.[9]

Despite these and other successes, there are also tensions inherent in coalition-building. Many unions do not see enough for themselves in the Living Wage campaigns to justify serious or long-term involvement unless the campaigns are directly tied to organizing

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[9] These examples are drawn from the verbal description offered by Steve Kest, Executive Director, ACORN (Levi et al. 1998).

drives. Nor are the community groups always convinced of the benefits to them. For example, in Los Angeles, the CLC initiated living wage campaigns around two large-scale projects that were receiving public subsidies: the extension of LAX and the development of Dreamworks.[10] The aim of the labor movement was to ensure living wages not only for the construction workers but also those involved in the janitorial services, concessions, and other occupations that would result from the projects, and they wanted to ensure job retention for those who joined the unions. Forming a coalition with community groups and churches, the CLC took the campaign to City Hall where they succeeded in winning a living wage ordinance and worker retention. However, they still have to ensure that contractors and vendors meet the terms. Moreover, the community groups involved were often in disagreement among themselves and with the unions about what protections their members would receive in regards to job and housing from these large scale projects. While the unions, especially those in the building trades, won protections under Project Labor Agreements (see below), the poor people affected by the projects received no such binding contractual coverage. Nor were the members of the community organizations confident that labor had formed an alliance with them for the long haul. Anthony Thigpenn of AGENDA, a community organization based in south Los Angeles, argues that the labor movement has to demonstrate the strategic and not just tactical advantages of coalitions, and such a demonstration requires a comprehensive and long-term regional development plan that serves the interests of both unions and communities.

Unions also have their share of concerns about the community organizations and their share of internal conflicts. When the IAF or ACORN are involved from the outset, unions have assurances that there will be allies able to plan and mobilize as full partners. When no such groups exist, the unions become more wary. Moreover, there are real differences of opinion among labor activists about the value of coalition politics. The internationals and the locals are not always in agreement about strategy. Sometimes the impetus comes from one and sometimes from the other; only occasionally are both in agreement. The AFL-CIO national, regional, and metropolitan offices add yet more layers in negotiating strategy. Even

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[10] This paragraph draws largely on the remarks of Miguel Contreras, Los Angeles County Federation of Labor, and Anthony Thigpenn, AGENDA (Levi et al. 1998).

among some of the staff of CLCs committed to Union Cities with its emphasis on regional development and organizing, there is disagreement about the value of living wage campaigns. Unions have limited resources and must consider trade-offs. Should energy and resources be put into mobilizing for living wage campaigns or put straight into workplace organizing? When a first contract is under negotiation, should low-wage workers hold out for the higher living wage or settle for salaries lower than those mandated by a living wage ordinance but still representative of a victory for that local?

Anti-Sweatshop Campaigns

The anti-sweatshop campaigns around the country are examples of actions often initiated by community or student groups, rather than labor organizations, but which help workers both in the U.S. and abroad, benefit from labor support, but are not necessarily organizing drives. For example, the boycott in San Francisco of Jessica McClintock was a response by the Asian Immigrant Women Advocates (AIWA) to the complaints of Chinese immigrant women about the horrible working conditions and employer abuses they were having to bear. With the help of UNITE (Union of Needle Trades, Industrial, and Textile Employees), APALA (Asian Pacific American Labor Association), and other labor groups, AIWA was able to help the women run a campaign and win back wages. The workers achieved concrete gains, and the unions and other advocacy groups received new coalition partners and ideas in their efforts to improve sweatshop and child labor (Needleman 1998, 74-7).

Getting Support for Organizing

The labor movement, recognizing its need for increased public support of union efforts, has been directly involved in the initiation of several associations whose role is to link

organizations based in poor and minority communities with organizing drives and other efforts to protect the rights of workers and their standard of living.

The constituency groups of the AFL-CIO provide one example of such associations. The constituency groups are composed of trade unionists who share characteristics, for example, race, national origin, gender, that have often made them misfits within the labor movement or even subjects of discrimination. By forming an advocacy group within the larger labor movement, they help to change traditional union practices. By providing a link between the labor movement and specific communities of which they are members, they help create new social networks and over distrust. These include: Coalition of Black Trade Unionists (CBTU), the Coalition of Labor Union Women (CLUW), and, of more recent origin, Asian Pacific American Labor Alliance (APALA), Labor Council for Latin American Advancement (LCLAA), and Pride at Work.

Another important development has been the creation of the Jobs with Justice (JWJ) coalitions. Inaugurated in 1987 in Miami, Jobs with Justice now has more than 30 such coalitions in 21 states, bringing together union, community, and religious activists and organizations on behalf of issues that affect the rights and welfare of workers and their families. JWJ encourages wide-spread signing of pledge cards to attend at least five actions a year on behalf of someone else's fight, and it then follows up with leaflets, mailers, and phone banks. It is, thus, hardly surprising that Jobs with Justice plays a key role in many locales in mobilizing people to join picket lines and demonstrations. In 1993, the Vermont Jobs with Justice started the first of the Workers' Rights Boards (WRBs), which now exist in more than a dozen localities. These are committees of prominent citizens drawn from the community, religious and educational institutions, legislatures, and influential organizations. The WRB's investigate violations of the rights of workers, organized and unorganized, hold public hearings, and promote campaigns to correct abuses they have identified.

Where JWJ mobilizes support for civil rights and community actions as well as for strikes and other labor actions, it builds a network of activists who begin to recognize the overlap in the interests of unions and of community based groups. Where WRBs focus on problems that are of importance to poor and minority peoples, whether or not they are

members of unions, they overcome distrust of unions as narrowly self-interested. For the most part, however, both Jobs with Justice has support from only a limited set of unions in a growing but still small number of locales. It stands outside and apart from the mainstream labor movement. JWJ and their Worker Rights Boards probably have a positive effect on labor-community relations where they exist, but the actual extent of their impact remains a matter for future empirical investigation.

Project Labor Agreements

One of the domains in which unions and community-based organizations have been most hostile is over construction projects. The labor organizations representing the building trades are too often emblematic of white, racist, sexist unions. They are noted for insensitivity and outright resistance to the concerns of the poor people whose homes, jobs, and services they are displacing with the developments they are constructing and to the women who walk by the construction site. More importantly, they have a history of exclusion of people of color and women from their ranks, apprenticeship programs, and the highly skilled and highly paid crafts these unions control. Since the 1960s and 1970s, they have often found themselves under attack for discriminatory practices.

Initially motivated to protect only their own jobs and members, some building trade unions have been trying to change their reputation among people of color and women. In several locales, they have negotiated Project Labor Agreements (PLAs) as a means to provide union security, on the one hand, and to provide job opportunities for women and minorities, on the other. These are special collective bargaining agreements unique to the building trades, establishing basic terms and conditions for all contractors on a specific construction project. In return for union assurances of high quality, on-time performance and agreement to strict enforcement of prohibitions against work stoppages, employers agree to the use of union labor, no lockouts, job safety, and other union-favorable conditions. According to Rich Feldman (1999), non-union contractors may bid—and without prejudice—on a job, but "The unique characteristics of a PLA are that it requires all contractors and sub-contractors to hire

first out of union halls…Under a PLA, all workers are required to be members of the union or to join after hiring on to the project."

In the past six years, since the Supreme Court's ruling in the "Boston Harbor" case legalizing their use in government construction, PLAs have become a more common tool of the labor movement. There major purpose is to protect the jobs and wages of the traditional union members. However, in cities with construction trade and Central Labor Council (CLC) leadership dedicated to using PLAs to open up opportunities for women and minorities in the construction trades, PLAs increasingly include provisions for apprenticeships. In these cites, PLAs have become an important basis for access to the potential of middle-class incomes but also a basis for increased coalitions between labor and community based groups. The question remains, of course, about how widespread such progressive practices really are.

In Atlanta, for example, an alliance of organized labor and the African-American community threatened to block construction if the developers for the Olympic building projects refused to agree to a PLA with minority access provisions (Feldman 1999). In Milwaukee, the PLA assured that 25% of jobs went to minority group members and that minority communities also had significant control over the training opportunities (Metro Unionism 1998, 6) (Metro Unionism 1998, 6).

In Seattle, the King County Labor Council, the metropolitan area's CLC, focused initially on major construction being undertaken by the Port of Seattle, won a PLA, and then demonstrated that the unions would bring the project in on time and under budget.[11] That success gave the PLA credibility, and the unions went from that one to many others. In the process, the CLC, in collaboration with the Building Trades, took advantage of the state-approved apprenticeship programs. Working with community people, churches, and other organizations, they ensured that with the very first PLA that 15% of all hours went to apprenticeship opportunities targeted at traditionally deprived groups, including people of color and women. They hope that this will have the effect of actually increasing better-paying

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[11] This paragraph draws largely on the remarks of Ron Judd, Executive Secretary of the KCLC (Levi et al. 1998).

jobs for disadvantaged individuals but also of changing the view of and actual nature of the Building Trades as bastions of white male privilege (Levi et al, 1998).

There are, of course, limits to what PLAs can achieve. First of all, they are unique to the Building Trades. Although, as in the case of the Westin Hotel project at SEATAC airport or of the LAX airport extensions, there are instances where the agreements ensure employer neutrality towards the service workers to be employed in the hotels and concessions, these are the exception not the rule. Second, the provision of apprenticeship positions to minorities and women of color is only a beginning and unlikely to be particularly successful unless the programs also address transportation, child care, and particular learning problems these new workers may have (Metro Unionism, 6). Third, these projects often need special taxing arrangements. Fourth, in recent years they have been more successful in public than in private construction projects, and the unions are only just beginning to consider how to extend them in a sphere where public pressure has less impact.

Project Labor Agreements, despite these limitations, do overcome some of the distrust of unions often most symbolic of racism and sexism. They succeed by creating credible commitments through the PLAs and by providing access to actual jobs, at least for the term of the project the agreement covers. The commitment of the building trades to building alliances would be even more credible, however, if they made more of their resources hostage to these new workers by giving them actual union cards and on-going access to jobs and training.[12]

Capital investments

Unions have several major financial resources they can put to use in assisting poor people. Most significant are their pension funds, but there are also other forms of deferred

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[12] Janice Fine made this point to me.

workers' saving. If community groups suspect that unions are using them for tactical advantage but lack a long-term commitment to the interests of poor people, the investment of workers' money, money on which they rely for their retirements, is a way to put their funds hostage. Investments in housing and long-term economic redevelopment plans that benefit poor people as well as higher paid union members can represent a credible commitment.

Building Housing

Unions have been involved in helping to develop workers' housing since the nineteenth century, but the more recent efforts date from years following World War II. While such housing does not always reach the poorest sectors of the population, it has often been an important source of housing for low-income workers and has ensured that the cities, even in the midst of the 1960s redevelopment projects, retained affordable housing for working families. The financing for these housing developments usually comes from the pension funds of a particular union, but it can come from a coalition of unions, spearheaded by a CLC.

The first cooperative housing project on the West Coast, St. Francis Square, was initiated by the ILWU (International Longshore and Warehouse Union) in San Francisco in 1960. The aim was to provide decent, affordable housing within the city for working families, regardless of race, color, creed, or national origin. The trustees of the Longshore Pension fund, jointly administered by the ILWU and the Pacific Maritime Association (PMA), bought land full price in the Western Addition after unsuccessfully appealing to the Mayor and the Redevelopment Authority to ensure the minimum land price set by the Authority. With a FHA loan, the ILWU-PMA built 299 middle-income garden apartments and provided low-interest loans through the FHA. The terms of sale prevent purchase for speculation and provide for an ownership share in the project and for self-government. Although the Pension

Fund could get a higher return for its money in other kinds of investment, this is an instance of a union making a commitment to social goals at a cost to itself. [13]

St. Francis Square catered to moderate income working families, but more recent projects have focused on households with even lower incomes, whose members may indeed be working but at wages that do not permit home purchase or even rents for decent housing in major metropolitan areas. In 1964, the AFL-CIO started the Housing Investment Trust (HIT) in which pension funds, whose beneficiaries are union members, are invested in loans for housing construction by union contractors and mortgage loans. The investor participants include 394 public sector and Taft-Hartley pension plans, whose total gross rate of return from HIT is a competitive 11.22%. By the end of 1997 the Trust's net assets were $1.67 billion, an all time high and representing a 3% increase in reinvestment by participants (AFL-CIO 1998, 3).

In St. Louis, Boston, and elsewhere, at least some of the new construction in housing was for low income households (AFL-CIO 1998, 5-6). In 1997, the Trust began the development of a partnership with the Department of Housing and Urban Development (HUD) to revitalize public housing, but its major new venture was the Homeownership Opportunity Initiative, a $250 million three-year partnership between HIT and Fannie Mae. The aim is to construct and make available homes for low, moderate, and middle income households in thirteen pilot cities (AFL-CIO 1998, 7). The Initiative provides an extremely flexible and affordable mortgage program and a lower than market rate contribution from the borrower. Each selected municipality had to develop a suitable set of partnerships with local governments and banks. Seattle, for example, received an allocation of $30 million as a result of a partnership that includes the City of Seattle, King County, and Continental Savings Bank as well as the King County Labor Council, HIT, and Fannie Mae (AFL-CIO Housing Investment Trust 1998).

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[13] The information on St. Francis Square comes from material in the archives of the International Longshore and Warehouse Union, San Francisco. This includes a press release (10 June 1960) and an article in *The Dispatcher* (25 January 1963).

The major beneficiaries of these projects are union members, however, or those willing to join unions. The jobs created, the best financing, and other such advantages will disproportionately accrue to union members. Of course, low-wage workers, be they union or not, can belong to the working poor or belong to traditionally disadvantaged groups. Moreover, the creation of affordable housing in the inner cities assures that the metropolitan areas will continue to be diverse and not become neighborhoods of only rich or only poor.[14]

Venture Capital

Workers' money can also have an important impact on revitalizing depressed communities. By providing venture capital for firms that would be unable to continue or start up, labor-sponsored investment funds can help sustain and create jobs.

The models for this kind of investment are four Canadian funds (Kreiner 1996). The first labor-sponsored venture capital corporation, the Quebec Solidarity Fund, was a response in 1984 by the Quebec Federation of Labour (FTQ) to persistent high unemployment. The Working Opportunity Fund in British Columbia, the Crocus Fund in Manitoba, and the First Ontario Fund in Ontario were built on the model created by FTQ. All provide equity interest in small and medium sized businesses which pass a "social audit" of their labor relations and employment, health, safety, and environmental practices and which will agree to high road workplaces. The criteria for investment include the probability of a positive effect on job retention and economic regional development as well as the earning of competitive returns for the funds.

The Canadian funds draw on workers' savings and call on federal and provincial governments to provide tax credits for investing in these union-created funds, which in turn

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[14] Janice Fine tells me in an email that the best contemporary example is in Stamford as part of a multi-union organizing project in coalition with black ministers. The AFL-CIO is helping to staff and fund a campaign for affordable housing as well as putting money into the actual development of housing.

go to support small and medium-sized Canadian businesses. Regional labor investment funds have been undertaken in Pittsburgh with the involvement of the United Steelworkers of America and are currently being organized in Seattle (Croft, Bute, and Feldman 1996).

Unionizing Low-Income workers

The commitment of union resources to organizing low-income workers can be mutually beneficial to both the labor movement and community groups. These drives can result in a significant increase in union membership while also giving the labor movement new allies and support groups among minority, immigrant, and the working poor. At the same time, they indicate organized labor's commitment to overcoming the usual categories of who is "union". The newly organized may gain considerable improvements in wages, working conditions, and job security while also gaining confidence to act collectively on behalf of economic and social issues of consequence to them.

Three of the most successful organizing drives of this kind have been among janitorial staff in New York, Washington, D.C., and Los Angeles, sweatshop workers in New York and San Francisco, and hotel and restaurant employees in Las Vegas. The targets of these drives are disproportionately people of color, immigrants, and women, groups with different backgrounds than those of the bulk of the membership of the union. Most union locals have developed a system of representation based in another language or languages, gender or racial group and were not well prepared to represent another. For the unions to organize these workers requires alliance with organizations involved with the relevant groups and to whom the workers are most likely to turn first, before turning to the union. At the same time, the community based organizations lack the skills to organize or affect the workplace. Together, however, the labor movement and the community associations can build effective organizations to secure economic justice for these workers.

Both SEIU's Justice for Janitors (JfJ) (see, for example, Waldinger et al. 1998) and H.E.R.E.'s wall-to-wall organizing of the employees of the Las Vegas casinos and hotels

provide excellent cases of the new kind of community-based union organizing. Reminiscent in some ways of the nineteenth century social movements, these union drives won members and political allies in unexpected numbers and among unexpected groups. However, such successes sometimes come at the cost of local rebellion against campaigns so much more the program of the international than the local. This was what happened with JfJ in Los Angeles and may undermine the long-term achievement (Waldinger et al. 1998, 118-9). Also worrying is renewed and increased instances of employer hostility and mobilization in many regions of the country.

In several instances, organizing drives have also led to coalitions grounded in providing services for workers. For example, the campaign by SEIU 616 to organize home care workers in the Bay Area led to a recognition that the largely minority and female population of home care workers needed a variety of services and supports that unions did not often—if ever—provide (Needleman 1997, 78-82). SEIU consequently turned to organizations such as the Labor Project for Working Families to provide a service center for the African-American, Mexican, Central American and Filipino women SEIU 616 was trying to reach. The partnership between SEIU and the Labor Project facilitated access to funding, produced a real team effort—and a real team—among the union and community organizers, and offers the kinds of services and networks that the workers need to maintain their commitment to the union.

UNITE has also recognized the need for service centers for minority and immigrant garment workers toiling in the sweatshops, and the union has created its own Garment Workers Justice Centers (GWJCs) in New York City, Miami, Los Angeles, and San Francisco (Ness 1998). The long-term goal is to use a neighborhood base to unionize workers in a dispersed and highly competitive industry, but the immediate goals of the centers are to provide ideological and material support to workers and to create the capacity for collective action. The GWJCs are open to non-members as well as the members of UNITE and offer skills training, language education, and education about their rights in the country and at the workplace. Clearly UNITE hopes the GWJCs will be more than settlement houses but the base for industrial organizing. In a survey of individuals coming to the GWJC in New York's fashion district, Ness (1998, 95-100) found that the centers do engender support for

unionization and collective action. Nonetheless, there are three major problems with this strategy from UNITE's perspective. First, the GWJCs assist the workers, an important goal, but do little to insulate manufacturers from contractors who are able to move to where there is less organizing and a greater willingness of workers to accept lower pay and worse conditions. Second, the nature of contract unionism makes it difficult for UNITE to protect non-unionized workers. Finally, to the extent the GWJCs will effectively contribute to greater union density, it will be a long process; in the meantime the unions may lose patience with using their limited resources in supporting service centers rather than direct, workplace organizing.

UNITE's experience with service centers is in fact emblematic of the problem unions face in promoting social capital in poor communities. The skill and focus of unions is collective bargaining contracts and obtaining union coverage of the previously organized or unorganized. In a period of union decline, there is a willingness to try new strategies (and, in some cases, revive old) and to reach out to new partners and allies, but there is also a need for results sooner rather than later. Most local leaders, even international leaders, subject to periodic reelection, must demonstrate success in attracting members and winning contracts; it is not enough to have a long-term vision.

Most workers' centers are not affiliated with unions, according to Fine (1998, 134). Emblematic is the Workplace Project on Long Island (Fine 1998, 133-6). This center has the relative advantage of being organized and owned by the immigrants it is meant to serve. However, it also reveals the continuing problems that bedevil the relationship between unions and immigrants: the lack of bilingual organizers and business agents, the bureaucratic approach of the union staff, and, most importantly, the continuing demonstration of indifference or, at least, lack of enthusiasm for the immigrants' complaints, concerns, and needs. It appears evident that unions will have to invest in their own social capital if they are to be effective in promoting the social capital of the poor and unorganized.

CONCLUSION

Both unions and community organizations can benefit from working together. The community organizations provide access to low wage workers and help the unions overcome the distrust or fear with which their efforts might otherwise be greeted. The unions offer resources in money and people and real experience in improving conditions and wages at the workplace. The union can provide a fixed point in an economy in which there is considerable job turnover and labor mobility (Fine 1998, 126). Finally, the unions may also be sources of capital, job-creating programs, and housing.

The advantages may be clear to the outside observer, but they are not always so apparent to the on-site participants. The major goal of the labor movement in the United States right now is to increase union density by attracting new members and by retaining those it has. Without membership, it is impossible for the labor movement to carry out other important goals: winning contracts, raising the living standard of Americans, securing economic and social justice, regional development. Moreover, unions are diverse; there are huge gulfs of difference among various locals, internationals, and CLCs. Not all see organizing as primary, and many perceive that their only function is to serve the bread-and-butter needs of their membership.

Although the labor movement and community based organizations both benefit from unionizing low wage workers and providing them with higher salaries, better working conditions, benefits, and enhanced political efficacy, this shared interest is not enough for a sustained and joint war on poverty and discrimination. The kinds of campaigns, coalitions, and investments described above can go a long way towards building the social networks and credible commitments essential for a significant labor role in facilitating the development of social capital among the poor and minorities. Bringing workplace and neighborhood together produces friendships, trust, better understanding of the needs and concerns of the other, and, thus, the groundwork for further collective action and more equal partnerships.

Perhaps most important in overcoming the well-grounded distrust by community groups of coalitions with unions is union willingness to make their organizers, investment

funds, and other resources hostage to the community groups they are seeking as partners. Making resources hostage provides credible commitments that unions mean what they say when they claim to be contributing to the development of social capital in poor communities.

There is little question but that the labor movement capitalizes on the social capital of the poor communities as it tries to extend its organizing among low-wage workers, immigrants, and people of color. It may even be the case that labor gains more from the community than it gives. The fact that labor has a stake in these communities can also be the advantage of the communities, however. It gives the community group a bargaining chip in negotiating decision-making power in joint campaigns, a veto over strategy and goals, and greater resources.

The alliance between labor and community organizations can also benefit community-based organizations. There will continue to be small and significant success stories as long as there are unionists—and there are many of them—pledged to organizing low income workers and to overcoming poverty and discrimination as part of their core mission. Even so, wariness by potential community group partners will and should remain as long as the labor movement is perceived as using its partners for its own immediate goals or is perceived as so split that its credibility as an effective and long-term partner is in doubt. Capitalizing on the labor movement's political resources, social networks, and actual capital nonetheless can be a means to enhance the social capital of poor people attempting to build the organizational infrastructure necessary to transform their neighborhoods and situations.

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