

THE PRICE OF "COLLABORATION"

What has been the effect on workers' wages and conditions of the ILGWU leadership's policy of "collaboration" with the bosses?

*Third of a Series
By Rachel Roth*

IN a *Time Magazine* "cover story" several years ago, David Dubinsky summarized in his own words the policy of the International Ladies Garment Workers Union under his leadership: "In the old days it was the class struggle and to hell with the boss. Now it is collaboration and concern about the industry." Dubinsky is "happy with the results," said *Time*. "The country over, the little ex-tailor from Lodz is cited even by hard-shelled reactionaries as 'the one good labor leader.' . . . No other union is so popular with its employers."

It is this policy of "collaboration" with employers, publicly espoused by ILGWU leaders for the last 12 years, which has made it easier for garment manufacturers to rake in an unusually high rate of profit through all the "crises" of their industry—at the expense of the ladies garment workers. It is this policy of "collaboration," universally praised by business and industry organs, which has seen garment workers fall from among the highest paid in America to among the lowest paid, most exploited of all American factory workers today. (See *JEWISH LIFE*, April and May 1953.)

In its first three decades the ILGWU pioneered for the entire American labor movement, battling the employers in great strikes and militant shop struggles to wipe out sweatshop conditions, win decent wages, a 35-hour week, welfare benefits, and protective labor legislation. In those years the membership of the ILGWU was united in fighting for their common interests. But after Dubinsky took over the ILGWU presidency in 1936, this democratic unity was replaced by rigid machine control, and a new policy dictated by the top leadership with attempts to suppress all rank and file dissent. The ILGWU leadership formally turned their backs on the road of militant trade unionism and became the pioneers of a new concept of unionism, based on the premise that the workers' interests lie in whatever helps their employers make greater profits.

This policy was made public with great fanfare in 1941, when the ILGWU announced it would not seek higher wages and would even give up the 35-hour week, if the employers would accept the Hochman plan for "compulsory methods of productive efficiency to turn out more garments at less cost." Said Dubinsky: "We are vitally interested in employers' profits and hence in productive

efficiency." He did not say it would mean *speedup* for workers.

The newspapers were full of admiration for this plan. "The dress manufacturers hailed (it) as an innovation in labor relations, substituting collective planning for collective bargaining," reported the *New York Post*. Even the swanky *Vogue* magazine, existing on the advertising of the garment manufacturers, ran a tribute under the headlines: "It's a Nice Union: The powerful garment workers raise a startling new banner—'Bigger Profits for Employers.' For the first time a union has mustered all its power to force employers to make more money."

Sitting on the Wage Lid

In 1942, the ILGWU assisted its employers by battling price control and demanding that garment manufacturers be permitted increased mark-ups. In 1946, the ILGWU denounced the strikes of the great CIO and AFL unions for wage increases as "inflationary." In 1947, the ILGWU leaders announced their union would throw its weight into helping manufacturers to reduce prices, rather than seek new wage increases. During those years of postwar boom profits, other unions went yearly to battle with employers to win wage increases for the workers. The ILGWU led its employers into establishing the New York Dress Institute to promote their products and stave off Paris competition.

In 1949, the ILGWU testified before the House Monopoly Investigating Committee in Washington, pleading for the right of garment manufacturers to form a price-fixing cartel without interference from the anti-trust prosecutors. In 1950, when the 75-cent minimum wage became law, the ILGWU joined garment manufacturers in demanding that a minimum wage of 65 cents an hour be permitted in the garment industry for "learners" up to eight weeks on the job.

When the Korean War brought the inequitable "stabilization" to freeze the wages of American workers while profits and prices were permitted to soar, other workers at least had in their pockets four and five postwar "rounds" of wage increases. But the general executive board of the ILGWU stated in September 1950: "In our own industry the wage adjustments have lagged behind. As a result of

business uncertainties in the last years, the union offered employers its full cooperation in order to give them the opportunity to stabilize wages." Noted the *New York Times*: "proud of what they call their 'industry-mindedness' . . . the ILGWU has not sought any general increases since 1946 in some branches, 1948 in others."

In the spring of 1951, the *New York Times* headlined: "ILGWU Won't Ask Pay Increases Now—Dubinsky Tells Union to Wait Until Trade Improves—Work-Week Cuts Cited." Dubinsky stated that the "decision to forego demands for higher pay was based on the fact that our industry has not been so fortunate, profit-wise, in the last year as the so-called hard industries." He "made it clear that the union did not intend to complicate the recovery problem by adding to production costs."

"Although the union is among the most powerful of labor organizations in the country, it operated on the philosophy that it should not demand economic concessions for its members if their attainment would impair the financial stability of the industry," said the *New York Times* (May 28, 1951).

In the spring of 1952, the *New York Times* headlined: "ILGWU Delays Pay Step—Says Rise Is Warranted, But Cites Conditions in Industry." The ILGWU board stated that because of the "low volume of work in the shops," it would not ask for the wage increases to which "the union's members are entitled" to meet the rise in living costs since the start of the Korean War. "Some firms are operating on margins close to the bone," said the ILGWU organ, *Justice*. But Dubinsky said garment workers had "no cause for alarm," stating: "The complaints being heard in some quarters were being raised only by those who, without reason, had expected war-induced prosperity to continue."

Last December, with the trade papers reporting total sales for 1952 greater than in years and expectations of even better business in 1953, *Women's Wear Daily* reported that Dubinsky saw "little likelihood of a round of wage increases in the apparel business as a whole." "Mr. Dubinsky pointed out that the garment industry is in a recuperative stage after a recession of nearly two years," said *Women's Wear Daily*. "For this reason, he said, there is a tendency to move slowly in the wage increase direction."

"More Steaks" for Workers?

All these actions stem from the overall policy of "collaboration." In a *Reader's Digest* reprint (November 1947) Dubinsky put it in terms of "two simple premises: The workers get more steaks if the bosses make greater profits; a union finds it easier to prosper if it is blessed with favorable public opinion."

There is no question that this policy has succeeded in winning for the ILGWU "favorable public opinion." No other union in America is so frequently and highly praised in the newspapers, magazines, and even the usually anti-labor organs of industry.

But despite its popularity with employers and the press,

the policy of "collaboration" which has guided ILGWU for the last decade has not won "more steaks for the garment workers." It has succeeded in making "more profits for the garment manufacturers," but instead of improving the welfare of the garment workers, it has actually intensified their problems.

Because wages in the garment industry have been pegged to the needs of the manufacturers rather than the needs of the workers, United States garment workers have suffered a 16 per cent cut in real wages since 1946. In the highest paid New York garment center, dressmakers have taken a 36 per cent cut, cloakmakers nearly 50 per cent.

Unique among American wage earners, garment workers as a whole have not enjoyed a single, general, lasting wage increase since 1946. Average weekly earnings of United States factory workers increased \$24.40 a week in those years, while garment wages stood still or were cut. Every year since the war, garment wages have fallen steadily downward in relationship to other workers until today these one-time aristocrats of industry earn 20 per cent less than the United States average factory wage. And year by year the cost of living has moved steadily upward so that today the garment workers' average yearly earnings of \$2,312 are 44 per cent below the minimum subsistence budget (\$4,083) which the United States Department of Labor says is necessary to keep a city worker's family in health and decency.

Union "Flexibility" on Wages

Furthermore, the ILGWU policy of giving up wage increases in "good years" and "bad" to help the manufacturers solve their "problems," merely whetted the manufacturers' profit greed, and invited them to try direct and indirect means of cutting wages.

Since 1946, the manufacturers have enjoyed some of the most profitable years in their history, as well as years of "recession" and years of "recuperation," but, throughout, their profits have been many times higher than they enjoyed before World War II and extremely high (93 to 145 per cent) in comparison with their invested capital. But garment manufacturers, like employers in every industry, always want to increase their profits. Unless they are stopped by economic weapons stronger than their own, they will do so at the expense of the workers.

When the ILGWU chose not to use its economic weapons to get the wage increases to which its members were entitled, the manufacturers saw nothing to prevent them from seeking wage cuts. The pages of *Justice* are full of examples of this: right after the ILGWU board announced that no wage increases would be sought that year, individual manufacturers immediately turned contract negotiations into a demand for direct wage reductions.

A *Saturday Evening Post* article several years ago, while commending the way ILGWU leaders have helped manufacturers by "reasonable compromise" on wages, went on to say: "The real test will come in the flexibility with which

BOUQUETS FROM FALSE FRIENDS

HERE are some revealing opinions from some right wing sources about the ILGWU under its present leadership.

The ILGWU is "probably the foremost example of a labor union that is truly industry-minded. . . . In this industry, the union does the kind of work handled in other industries by trade associations." (*Reader's Digest*)

The ILGWU "has shown responsibility toward the management problems of the industry. . . . The owners of the 9,000 small factories that make ladies' clothes admit that without the union they could not long endure. . . . To be sure, management dutifully cries that it is being bullied, bludgeoned and coerced by a power-driven ILGWU, but there is a smile behind its tears since management just now is making money—a lot of money." (*Fortune*)

"Often referred to as America's model labor union . . . the ILGWU became the principal spokesman for the dress manufacturing industry. Its interests were adequate profit margins and protected markets for its employers. . . . The ILGWU is a leading class collaborationist organization." (*Business Week*)

"Most manufacturers agree that (the ILGWU leaders) have exercised their great economic power with responsibility and restraint, pushing the wage and welfare standards of their members forward only as fast as the industry was able to bear the extra charge." (*New York Times*)

"He (Dubinsky) is still passionately concerned that the employers make reasonable profits. . . . It is labor

statesmanship of a high order." (*Reader's Digest*)

ILGWU shows "what can be accomplished when responsible unions and enlightened management collaborate for their mutual benefit." (*Catholic Commonweal*)

"Employers trust him (Dubinsky) because, with his union secure and its rights assured, he's often used it to help management solve its own problems. He maintains an entire department which does nothing but figure out ways for management to improve its position and maintain its competitive strategy." (*Newsweek*)

"Almost the only union chief to concede publicly that the Taft-Hartley law contains a good feature or two, (Dubinsky) has often been hailed as a model, reasonable and statesmanlike labor leader." (*Saturday Evening Post*)

Leaving behind the "philosophy that only by battling the bosses could the sewing-machine girl and her fellow workers win the good things in life," the ILGWU has become "a model of mature labor-management relationship . . . a union which has not called a serious strike in 15 years, which has kept many a manufacturer in business by understanding his problems." (*Survey Graphic*)

"David Dubinsky, long-time president of the International Ladies Garment Workers Union, has played a unique role in the American labor movement. In a sweatshop industry torn by labor strife, he built a great and disciplined union, and with the power of that union has helped to create an exemplary pattern of peaceful labor-management relations." (*Commentary*)

Dubinsky relaxes wage scales as the country makes adjustments to postwar inflation. . . . So far Dubinsky has refused to sanction wage reductions. But with characteristic indirection, he has agreed that more work be added to a garment for the same pay, which amounts to a concealed wage cut."

These "concealed wage cuts" were effected through the piece rate structure as workers were subjected both to frequent and complicated style changes and to brutally intensified speedup in the postwar years. This is the reason why the small wage increases supposedly won for garment workers in 1948 and 1950 did not result in increases in their actual weekly earnings—they were swallowed up in speedup and piece price reductions.

Union "Efficiency" Schemes

The ILGWU policy of acquiescence to speedup—with its own "Management Engineering Department" to help manufacturers get greater "productive efficiency" out of the workers—may have increased the prosperity of the manu-

facturers, but it has greatly reduced the prosperity of the workers. For this speedup has enabled garment manufacturers to eliminate 22,000 jobs since 1947, to increase their production per man-hour by 25 per cent, and to throw more workers out on the street every year. It is as a result of this speedup that five out of every eight workers in the industry are today unemployed an average of three months each year, while on the job they are forced to work at a brutal, health-destroying pace to turn out more garments for less pay.

The ILGWU cooperated with employers in setting up new shops under the "section work" system where new workers were hired to turn out garments at a pace unheard of in the older shops, and for far less pay. Then the ILGWU cooperated with employers in established shops to "lower production costs" so they could "compete" with the "section work" shops.

In an interview in the *New York Post* (February 12, 1941), the owner of one of the city's largest women's garment plants, Mitchell Schneider, advised other garment manufacturers that they didn't have to leave town to re-

duce labor costs: they could stay here and do it with the union's help. "Instead of being a hindrance to lower labor costs, the union has helped me," he said, describing how he and ILG officials together decided that "purchase of four new machines at \$300 apiece would lower labor costs on this sewing operation. The investment has paid for itself. The *piecework rates were adjusted downward slightly* to offset the investment, and the total weekly wage went up because of *more garments per worker*" (italics added). This is a clear example of speedup and the resultant "concealed wage cut" referred to above.

These "efficiency" schemes have had a drastic effect on garment wage standards, not only for the workers directly employed on section work, but for all garment workers in those garment centers or branches of the industry where section work has made inroads. In the coat and suit industry in Kansas City, dominated by section work, the average wage for all workers in September 1951, was \$1.33 an hour, compared with \$2.00 and \$2.05 in Cleveland and Boston, which had little section work. The average wage in eastern New Jersey coat and suit shops, mainly on the section system, was 50 cents an hour below the average across the river in New York where single hand shops still hold the edge.

In New York, sewing machine operators on section work averaged 50 cents an hour less than single-hand operators. And in contracting shops, which are mainly operating under the section system, all workers averaged 36 cents an hour less than in the inside manufacturing shops where three-fourths of the workers are still on the single hand system.

It is significant that it is the coat and suit industry where section work has made the greatest inroads and it is coat and suit workers who have suffered the greatest deterioration in their wage standards since 1946. New York coat and suit workers, forced to compete with out-of-town section work as well as the spreading section work in the city itself, have taken a \$3.71 cut per week in their money wages since 1946, and a cut of nearly 50 per cent in their real wages.

"Cooperation" on Union Contracts

The third major area in which ILGWU has cooperated with employers with destructive effect on garment working conditions has been in "concessions" on contract standards and contract enforcement. ILGWU leaders have "cooperated" with manufacturers setting up new shops out of town by permitting them to retain wages and conditions far below established union standards. Then they have "cooperated" by relaxing contract standards or permitting their violation, to help established shops "compete" with out of town. They have "cooperated" on lower piece prices to help manufacturers get an order, and they have "cooperated" by letting jobbers ship work out to non-union contractors when they got a big order. They have permitted sub-standard wages and working conditions in the

mass production shops in the low price dress, coat and suit lines, in contracting shops and in the underwear and children's wear industries—where the workers are almost entirely new workers, women, Negroes and Puerto Ricans. This has gradually lowered wage standards affecting all the garment workers.

All of these concessions were supposed to help the workers by helping their bosses stay in business at a profit, which would supposedly insure more jobs for ILGWU members. But that's not the way it has worked out.

The lower wages permitted in union shops "out-of-town," and the lower wages and conditions in the "unregistered" non-union contracting shops to which the union jobbers are permitted to ship out work, not only serve to lower the wages of all garment workers who must "compete" with them, but they act as an open invitation to all manufacturers to "lower production costs" even further by moving out of town themselves, or by escaping from the union altogether. This does not provide more jobs for union members, it takes them away.

Neither the failure to fight for wage increases nor the cooperation on speedup nor the contract concessions have helped solve the economic problems of the garment industry. As we showed in our second article, these problems are the result of a shrinking consumer market as the high profits, prices and taxes of the new war economy take their toll on people's paychecks and their ability to buy new clothes. Despite these problems the manufacturers have not let their own high rate of gross profit be affected, nor their own lush salaries and expenses.

The turnover of firms in the garment industry has been no greater or less because of the many sacrifices of the garment workers. Most of the firms that went out of business were not "financial failures" but voluntary liquidations—after which the manufacturer set up again under a new name—and the motivation was frequently to escape from union conditions. If these "concessions" on workers' conditions did keep a few "marginal" firms in business (making profits for the employer), it was at the expense of all garment workers and their conditions. The ILGWU each year loans millions of dollars to keep "marginal" firms in business. But every shop that stays in business at the expense of lower wages and poorer conditions for its workers, competes with, or takes work and jobs away from other unionized shops and thus lowers conditions for all union members. And many of these "concessions" are not made to the little "marginal" firms but to the biggest, most profitable, mass production firms in the industry that could well afford higher wages and better conditions for their workers and still make huge profits.

There Is a Way Out

In terms of dollars and cents in garment workers' pockets, in terms of job security and healthy working conditions, the policy of "collaboration" is leading the ILGWU down the road to disaster. The employers still profess "respect"

for the union and its leaders but in their actions they are showing increasing contempt. Two years ago the ILGWU was forced to call its first major strike in nearly 20 years to stop employers from making drastic open cuts in their piece work schedule. An increasing number of oldtime union employers are "getting tough" with the union, contemptuously ignoring contracts, or reorganizing as non-union shops. In recent attempts to organize new or run-away shops in the small towns of the South and the West, the ILGWU has come up against the same brutality, Ku Klux Klan violence, jailing and beating of organizers as the rest of the labor movement is facing under the Taft-Hartley law. And today, with the party of big business and open reaction in firm control of the government, with Taft, McCarthy, Jenner, Velde and McCarran thundering after every individual or organization who has ever spoken out for social progress, from the "communists" to Dubinsky's own anti-communist Americans for Democratic Action, there is less and less incentive for employers to play ball with even the most "cooperative" of unions, if they could make more profits by having no union at all.

Needed: A Fighting Program

There is only one road the ILGWU could take now to stop the drastic deterioration of its members' wages and working conditions before it is too late, and that is a return to the policy of fighting trade unionism that once wiped out the sweatshop and made the ILGWU a powerful union capable of protecting its workers against any employer. The ILGWU is still one of the most powerful unions in America, with millions of dollars in its treasury, hundreds of thousands of workers, a strong organization in many cities. Instead of using that power to help garment manufacturers solve their problems, it could be used to fight for the workers. The oldtime workers who have become depressed and demoralized and the new workers who are not aware of their union rights and might, could be mobilized again into a powerful force capable of exerting their full economic strength in their own true interests.

If a real fight were conducted to raise the wages and conditions of the "out-of-town" shops to the New York level, manufacturers would not be so tempted to move or ship work out of town, nor would ILGWU members in the garment centers be forced to accept lower piece prices to "compete."

If a fight were conducted to establish a single uniform wage scale and piece rate structure based on the whole garment, single hand, inside shops in New York—and if that scale were enforced in contracting shops and section shops and low prices-line mass production shops, in town and out of town, as conditions are enforced in the 200 "high standard" New York shops where manufacturers know the union will permit no violations—then the deterioration of wages and conditions throughout the garment industry might be stopped.

If a real fight were conducted against speedup, both in section mass production shops and in shops competing with them, if controls were established so that the piece price system could not be continually manipulated to the boss' advantage and so that the workers would not be forced to produce more and more for less pay, there would be less unemployment, more and healthier jobs for ILGWU members.

If a fight were conducted to bring the minimums in all contracts up to the highest union wage standards and to enforce those contract minimums without exception, the large numbers of women, Negro and Puerto Rican workers—who are now being paid at starvation minimums or wages below the minimums in contracting shops, mass production shops, children's wear and underwear shops, and in the unskilled occupations in all shops—could no longer be used as a wage-cutting wedge by the bosses.

Garment workers could be protected most effectively from speedup and concealed wage cuts if a fight were conducted to get the industry off the piece rate system and back to hourly wages, as was done years ago in the fur industry. As a result, there is no speedup or wage cutting in the fur industry today, even though fur manufacturers have worse "problems" than garment bosses. And if garment contracts were strictly enforced, with the members themselves educated to vigilance as they are in the fur industry, then the work that is now shipped out to "unregistered" low wage, non-union contractors by union jobbers could provide more work and longer employment at union wages for ILGWU members.

If the ILGWU used all its economic power to fight for the wage increases its workers need to make up for the loss in purchasing power they have suffered since 1946—increases which might be as high as \$10 to \$30 a week if garment workers are really to catch up with the cost of living and with other factory workers—then the road back to the sweatshop might be blocked before it is too late.

The manufacturers might not like it, they might stop flattering ILGWU leaders, but their growing contempt for union conditions would be replaced by healthy respect. Garment manufacturers might make a few cents less profit, but their take on their investment would still be high. If ILGWU wanted to help solve the industry's real economic problems, they could fight to return this country to a peace time economy governed in the interests of higher wages, welfare and security of all the people instead of higher profits for big business. And the money now being taken out of people's pockets to finance the taxes and profiteering of war mobilization would enable them once again to buy the clothes they need.

Finally, in order to save their union standards from destruction, ILGWU members would have to recognize and fight the wage discrimination in the garment industry which is perhaps the most insidious weapon being used today by their bosses today. We will deal with this problem in the concluding article of this series next month.

(To be continued)