



The Lynde and Harry
BRADLEY FOUNDATION

The Lion House ☞ 1241 North Franklin Place ☞ Milwaukee, Wisconsin 53202-2901
(414) 291-9915 ☞ Fax (414) 291-9991 ☞ www.bradleyfdn.org

August 26, 2005

Mr. Penn Kemble
Foundation for Democratic Education, Inc.
1925 K Street, NW
Suite 401
Washington, DC 20006

Dear Mr. Kemble:

We appreciate your recent report on the use of the Bradley Foundation's grant supporting the domestic component of the "Toward a New Unionism Network" project.

We are pleased to learn of your progress. If you have any further correspondence relating to this particular grant, please refer to the ID number at the bottom of this letter.

All good wishes for continued success,

Sincerely,

Daniel P. Schmidt
Vice President for Program

DPS/dd

ID# 996654

C. Bryant

July 18, 2005

MEMORANDUM

To: Dan Schmidt, The Lynde and Harry Bradley Foundation

FROM: Penn Kemble, Freedom House, Foundation for Democratic Education

RE: Follow up on labor work

I expect you and your colleagues remember the very generous grants the Bradley Foundation made a few years ago to the Foundation for Democratic Education and Freedom House to develop a program for involving the American labor movement more deeply in skills development and training to offset some U.S. job losses through new technologies and the movement of unskilled work abroad. We want you to know that we have been pursuing this work with what we take to be significant success. We have enclosed herewith an article describing the political and organizational fragmentation that today afflicts the AFL-CIO.

Many of us find it puzzling that the wider political community — journalists, scholars even conservatives are paying relatively little attention to this momentous development. As you know the AFL-CIO has for more than a generation served as the organizational and financial backbone of what is often called the “liberal coalition.” A major change in its role will have repercussions throughout our public life.

The debates that are underway now offer an opportunity to introduce some intellectual and cultural considerations that in the past would probably have been ruled out of discussion as “politically incorrect” by those in labor who would take them as attempts at shifting responsibility for the condition of the U.S. economy onto workers and employees, groups that in their judgment are already bearing unjustifiably heavy burdens.

The tradition of our labor movement was classically put by former AFL-CIO President Samuel Gompers: “More. Always more.” The difficulty with this attitude is that unless the economy is growing at a decent clip and workers are ever more productive our capacity to give more runs low. So whatever one thinks of the Bush Administration’s tax and spending policies, unless there are growing resources we will not have adequate where-with-all to provide the health and retirement security so many expect.

Our efforts at engaging unions and their members in conversation and programs are directed toward cooperation with business and the educational system that can enhance skills and productivity. We have continued to work at this, and have accomplished a number of encouraging things:

The Foundation for Democratic Education's The New Economy Information Service (NEIS) received grants from the Albert Shanker Institute and the International Ladies Garment Workers Heritage Foundation to hold a seminar on the various ways in which unions can enhance their roles in training and skills development.

The forum, entitled "Partnership for Sustaining High End Employment," was held on July 11 at the Pennsylvania Convention Center, in conjunction with the Department of Labor's Workforce Innovations 2005 Conference in Philadelphia. (See enclosed Workforce Innovations 2005 conference program, page 10.) It was co-sponsored by the Task Force for Workforce Development of NEIS and the Shanker Institute, as well as the National Association of Workforce Boards that represents business-led Boards that plan and oversee state and local workforce development and job training programs. (See enclosed program and list of participants.) Since Pennsylvania has the 16th largest economy in the world with 45 percent of U.S. manufacturers who have been hard hit by the steady loss of U.S. manufacturing jobs it was a perfect venue for a discussion of our ideas

In addition to panels that included our Task Force members Paul Almeida (President of the AFL-CIO's Department of Professional Employees), Gregory Junemann (President of the International Federation of Professional and Technical Engineers), Saul Rubinstein (Associate Professor of Rutgers University's Labor Program), and Stephanie Powers (Chief Executive Office of the National Association of Workforce Boards), Dr. Lynn Karoly, Senior Economist at the RAND Corporation made a presentation on her study entitled *The 21st Century at Work: Forces Shaping the Future Workforce and Workplace in the United States* (RAND Corporation, 2004) that was commissioned by the U.S. Department of Labor.

We are encouraged by the outcome of the forum and the continuing relationships we are building between business and unions to look at how we can improve workforce skills and productivity. In addition to this recent seminar, NEIS has also been working on a number of other projects with a variety of union leaders as well as organizations involved in the field of workforce development and skills training:

- NEIS has been working with the Workforce Alliance, a national coalition of local leaders -- including training providers, business leaders and public officials -- who have come together to seek more effective federal investments in the skills of America's workers. NEIS was featured at a recent meeting of members where NEIS presented the Task Force's findings and distributed copies of its report *Learning Partnerships: Strengthening American Jobs in the Global Economy* to attendees. NEIS has subsequently worked with the Workforce Alliance on educating members of Congress about workforce issues and partnership opportunities.
- NEIS has been working with the International Brotherhood of Electrical Workers to develop a pilot project on learning representatives.
- NEIS has been working with Paul Almeida, President of the AFL-CIO's Department of Professional Employees, on a skills agenda for professionals, and The National

Association of Workforce Boards that distributed our Task Force report at their recent annual conference, and featured the report on their website.

- The AFL-CIO's Working for America Institute has been influenced by our Task Force report, as evidenced on their new website that now talks about lifelong learning and partnership, rather than employer malfeasance. (See <http://www.workingforamerica.org/>)

We are especially gratified that our additional sources of funding for this endeavor are labor unions themselves. This deflects a certain kind of criticism that we are outsiders. We are also very pleased that our Workforce Task Force Director, Dr. Marie-Louise Caravatti, has been hired as Associate Director of Research by the American Federation of Teachers, a union that surely will have a significant role in training and education. So here too our program is finding institutional roots that may vindicate the hopes you showed for us. We have a sense of obligation to you for helping us start on this path, and welcome your further guidance and suggestions. We could be at a moment of change in our political culture, one that can serve us all well.

**ALBERT SHANKER INSTITUTE
NATIONAL ASSOCIATION OF WORKFORCE BOARDS
NEW ECONOMY INFORMATION SERVICE**

“PARTNERSHIP FOR SUSTAINING HIGH END EMPLOYMENT”

10:00 am to 1:00 pm, July 11, 2005

Philadelphia Convention Center, Room 204AB

1101 Arch Street, Philadelphia, Pennsylvania

- 10:00 am **Welcome and Introduction**
- Stephanie Powers**, Chief Executive Officer, National Association of Workforce Boards
- 10:10 am–11:00 am **Demographic, Technological and Productivity Changes and the Workplace of Tomorrow**
- Moderator: **Gregory Junemann**, President, International Federation of Professional and Technical Engineers; Chair, Committee on the Evolution of Professional Careers for the Department of Professional Employees, AFL-CIO
- Presenter: **Lynn A. Karoly**, Senior Economist, Rand Corporation and co-author (with Constantijn W. A. Panis) of *The 21st Century at Work* published by Rand, 2004.
- Discussion
- 11:00 am—12:00 pm **Response: The Role of Partnerships**
- Moderator: **Eugenia Kemble**, Executive Director, Albert Shanker Institute
- Stephanie Powers**, Chief Executive Officer, National Association of Workforce Boards
- Saul Rubinstein**, Associate Professor Rutgers University School of Management and Labor Relations
- Paul Almeida**, President, Department of Professional Employees, AFL-CIO
- Discussion
- 12:00 – 12:15 pm Break to get buffet lunch
- 12: 15 – 1:00 pm Discussion over lunch

(Note: All participants except Lynn Karoly are members of the NEIS/Shanker Institute Task Force on Workforce Development and participated in a trip to study these issues in the U.K.)

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NATIONAL ASSOCIATION OF WORKFORCE BOARDS
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“PARTNERSHIP FOR SUSTAINING HIGH END EMPLOYMENT”

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*Philadelphia Convention Center, Room 204AB
1101 Arch Street, Philadelphia, Pennsylvania*

GUEST LIST

Paul Almeida, President, Department of Professional Employees, AFL-CIO

Teri Bergman, Director of Public Economic and Workforce Strategies, Working for America Institute, AFLCIO

Carolyn Brown, Vice President, Indianapolis Private Industry Council, Inc

Vicki Byrd, President and CEO, Indiana Workforce Development Strategies Inc.

Marie-Louise Caravatti, Associate Director of Research, American Federation of Teachers

Mary Carter, President, Learning Designs Inc.

Phil Cothran, Vice Chair, National Association of Workforce Boards Board of Directors

Karty Cox, Executive Director, Project ARRIBA

Mike Curran, Director, NOVA Workforce Board

Jim Dickerson, Chair, Missouri Central Region Workforce Investment Board

Randy Garton, Director of Research and Operations, Albert Shanker Institute

Lynn Grafel, Vice President, ACS

James Hirsch, Director, Department of Commerce, North Dakota

Wendell Holcombe, Director of Workforce Development Programs, East Texas Workforce Development Programs

Gregory Junemann, President, International Federation of Professional & Technical Engineers

Lynn Karoly, Senior Economist, RAND Corporation

Larry Keen, Vice President for Economic and Workforce Development, North Carolina Community College System

Eugenia Kemble, Executive Director, Albert Shanker Institute

Terry Klenske, Chair, San Bernardino, CA Workforce Investment Board

Lisa Ketter Linus, International Brotherhood of Electrical Workers Local 98

Terry Klenske, San Bernardino County JESD

Robert Knight, Managing Director, ARBOR E&T Workforce Institute

Louis LeDoux, Director of Training, Texas Workforce Commission

Donna Leighton, Region VII Workforce Investment Board

Candy Lerner, Pennsylvania American Federation of Teachers

Al Lesure, President, Learning Resources Inc.

J. Maennicke, Educon, Berlin

Juan Manigault, President and CEO, Northern Indiana Workforce Investment Board Inc.

William Mann, Executive Director, Greater Peninsula Workforce Development Consortium

Rya McConnell, EarthWalk Communications

Dee Phillips, American Federation of Teacher, Philadelphia

Stephanie Powers, CEO, National Association of Workforce Boards

Chester Richardson, S. Nevada Workforce Investment Board

Arnie Richter, Senior Associate, Maher & Maher

Joann Rossel, Territory Sales Manager, EarthWalk Communications

Saul Rubinstein, Associate Professor, Rutgers University School of Management and Labor Relations

Sharon Sewell, Director, Education and Training, National Association of Workforce Boards

Robin Shaffer, Region VII Workforce Investment Board

Laura Spivey, Senior Policy Associate, NC Commission on Workforce Development

Linda Strong, Workforce Policy Analyst, NC Commission on Workforce Development

Dee Tancredi, Pennsylvania American Federation of Teachers

Sarah Tezak, Monterrey County Workforce Investment Board

Vicki Thomas, New Economy Information Service

Frank Thompson, The Thompson Group

Vickie Tyner, Workforce Development Director, Pee Dee Regional Council of Governments

Victor Valentine, Executive Liaison, Baltimore Workforce Investment Board

Jan Vaughn, Executive Director, Missouri Central Region Workforce Investment Board

William Villano, Executive Director, Workforce Alliance

Joseph A. Yacano, Texas Workforce Commission

Joseph Werner, Monterrey County Workforce Investment Board

Koryn Zewers, Governor's Workforce Development Council



The Lynde and Harry
BRADLEY FOUNDATION

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July 23, 2003

Mr. Richard Wilson
President
Foundation for Democratic Education, Inc.
1925 K Street, NW
Suite 401
Washington, DC 20006

Dear Mr. Wilson:

We appreciate your recent report on the use of the Bradley Foundation's grant supporting the domestic component of the 'Toward a New Unionism Network' project.

We are pleased to learn of your progress. If you have any further correspondence relating to this particular grant, please refer to the ID number at the bottom of this letter.

All good wishes for continued success,

Sincerely,

Daniel P. Schmidt
Vice President for Program

DPS/lis

ID# 996654

FDE

Foundation for Democratic Education

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

#996654

JUL 23 2003

Entered in POG

MA
report
recd 7/11/03

“Toward a New Unionism Network” (Grant ID 996654)

ACTIVITIES REPORT

June 2003

FDE

Foundation for Democratic Education

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

June 24, 2003

Mr. Michael Hartmann
Director of Research and Evaluation
The Lynde and Harry Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202

Dear Mr. Hartmann,

In response to your call, I am sending you some financial and programmatic materials from the Foundation for Democratic Education which illustrate our activities over the last few months for our "Toward a New Unionism Network" project (Grant ID 996654).

Labor Unions and Workforce Development, a speech by John Monks, General Secretary of the British Trades Union, was delivered at the National Press Club in Washington, D.C. as part of our ongoing series of seminars on workforce development. The strong message brought by Monks is "partnership" – labor and management working together to upgrade workers' skills and work together to be competitive in a global market. Monks was introduced by Morton Bahr, President of the Communication Workers of America, and the event was attended by a number of other prominent U.S. labor leaders including John Sweeney, President of the AFL-CIO; Thomas Donahue, President Emeritus of the AFL-CIO; John Flynn, President of the Bricklayers Union; Douglas Dority, President of the United Food and Commercial Workers Union; and Nat LaCour, Vice President of the American Federation of Teachers. (See Appendix 1.)

Our book, "Workforce Development and the New Unionism" consists of 11 essays on historical themes and analysis, but focuses primarily on efforts already underway in the U.S. in skills development including improvements in cooperation between unions and management. Authors and themes include: Morton Bahr, President of the Communications Workers of America, on CWA's efforts with worker training; Sandra Feldman, President of the American Federation of Teachers, on teacher and paraprofessional training; Marie-Louise Caravatti on incumbent worker training; Sam Leiken on lessons from lifelong learning programs in the UK; Richard Hurd on professionalism, education, and union transformations; and David Kusnet on high performance work organization partnerships at the Machinists Union. (See Appendix 2.)

"Workforce Development" has been reviewed in a number of publications that are significant in this field, including the AFL-CIO's magazine, *America@Work*, and the Bureau of National Affairs *Daily Labor Report*. John Donahue of Harvard University's Kennedy School of Government, and former Labor Department official, reviewed the book in the Winter 2003 edition of *CommonWealth*, and wrote that the book "offers some insights into today's most civil and hugely consequential struggle for the labor movement's soul." Dr. Andrew Resin from Columbus State Community College, reviewing the book in the Spring 2003 issue of "CAEL Forum and News" said that the book is "an eye-opener for many...It provides us with a unique view of unionism and allows us to begin to appreciate the unique position that they play in the development and maintenance of a

skilled workforce that is so essential to the current and future success of our nation in the global economy.” (See Appendix 3.)

The book, now in its second printing, has been ordered in quantities by interested groups in some seven countries, and is being sold in the AFL-CIO’s bookstore in Washington, D.C. (See Appendix 4.)

Our web-site, although somewhat specialized in nature, has become a reference point in dialogue in this field. It contains a mixture of news, opinion pieces, synopses, and documentation relating to the major issue areas of Workforce Development and Globalization and Democracy. Featured on the site are the proceeding from our conference on workforce development, NEIS’s e-bulletins, as well as special features by policymakers and scholars such as Sir Ken Jackson, John Lloyd, Sandra Feldman, Richard Hurd, Jeff Grabelsky, and Steven Kelman. (See Appendix 5.)

Our web site continues to receive an impressive amount of attention--during the first half of the year it received 75,296 hits, an average of 12,549 per month, and expectations are that it will receive about 150,000 hits by the end of the year. (See Appendix 6.)


To facilitate communication with interested readers, we continue to publish our monthly online newsletter which offers timely news and analysis as well as on-site reports from conferences and events. This newsletter is e-mailed to a targeted list of about 2,500 interested persons and is posted on our web site. (See Appendix 7.)

Some of the issues covered in past newsletters include:

Manufacturing Skills Shortage
Education and Skills Development
Global Economy and Democracy
Skills Training in the Military
Workforce Investment Act
Small Business and British Labour Cooperation on Training
U.S. Labor and Iraq
U.K.’s Union Workforce Program
AFL-CIO and Public Sector Partnerships
Unions and Temporary Employees in the New Economy
UK Learning Representatives
Unions and Professional Associations
Hartford's AFT/School Board Partnership
Terror vs. The Global Economy
Workforce Productivity in Helping Sustain U.S. Economy
Tensions in Anti-Globalization Coalition

Please let me know if I can be of further assistance and if you need any additional information.

Sincerely,


Richard C. Wilson
Director



Foundation for Democratic Education

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

APPENDIX
“Toward a New Unionism Network”
(Grant ID 996654).

Appendix 1) *Labor Unions and Workforce Development*

Appendix 2) *Workforce Development and the New Unionism*

Appendix 3) Reviews of *Workforce Development*

Appendix 4) Selected Orders for *Workforce Development*

Appendix 5) www.newecon.org

Appendix 6) Year-to-date Hits on www.newecon.org

Appendix 7) E-Bulletins

Appendix 8) Sources of Income

Learning a new trade

Workforce Development and the New Unionism

Edited by Penn Kemble; introduction by Morton Bahr

New Economy Information Service, Washington, DC, 210 pages

REVIEWED BY JOHN D. DONAHUE

The second half of 2002 showcased, in rapid sequence, the past, present, and (possibly) future of the American labor movement.

The contract dispute on the Pacific docks conjured up the Spirit of Labor Past: A tightly organized union astride a vital industrial chokepoint wins Cabinet-level paychecks for stevedores and clerks. Labor's economic clout so overmatches employers that the president wades into the fight on management's side. (When was the last time a reference to the Taft-Hartley Act appeared on the front page?) The scenario, once common, feels weirdly out of time, like spotting a grizzly on Boston Common. In labor's mid-century heyday, over a third of the work force carried union cards. Today, after decades of damage from economic and political reversals, unions claim just 9 percent of private-sector workers, mostly huddled in stagnant or

all jobs, but almost 45 percent of union jobs. Government employment offers a haven—for some lucky workers—from the harsh economic climate facing people without advanced skills, offering them better pay, richer benefits, and more security than the turbulent private sector does. Much of the labor movement's mission, in recent years, has been shoring up this enclave.

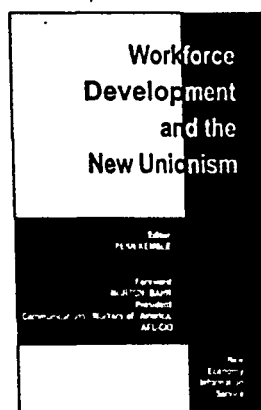
And the "justice for janitors" campaign in Boston (and elsewhere) might signal the Spirit of Labor Future. The scrappy Service Employees International Union, using adroit tactics and appeals to the public's conscience, has won serious wage and benefit gains for workers who—in our mostly poor, porous-bordered world—are almost infinitely replaceable.

to be restoring America's imperiled middle-class culture by narrowing the earnings gap—a gap fast becoming a chasm—between hyper-educated professionals and everyone else.

Asked over 100 years ago "What does labor want?" Samuel Gompers, the founder of the AFL, famously answered, "More." What followed is less commonly quoted, but it should be: "We want more schoolhouses and less jails, more books and less arsenals, more learning and less vice, more constant work and less

crime, more leisure and less greed, more justice and less revenge. In fact, more of the opportunities to cultivate our better natures, to make manhood more noble, womanhood more beautiful, and childhood more happy and bright."

With a bit of updating for gender, this agenda remains hard to beat today. But there are at least three ways of pursuing "more." One is classic organizing, to gain workplace leverage for labor. Another thrust is political, aggregating workers' voices and votes to make public policy more labor-friendly. The third approach is essentially economic, in which unions become agents for increasing productivity. Without denying that each strategy has its place, it is worth noting that the third path is what the game theorists call "positive-sum."



Today, unions claim just 9 percent of all private-sector workers.

shrinking industries. The West Coast remake of *On the Waterfront* is a flashback, not a preview.

The Washington imbroglio over work rules for the new Department of Homeland Security reflects the Spirit of Labor Present. As unionism shriveled in private industry, it surged in government. The public sector accounts for less than 16 percent of

This is a dauntingly difficult but worthy goal, evoking the struggles of A. Philip Randolph, the Reuther brothers, Cesar Chavez, and other patron saints of American unionism. If the labor movement is once more to be (or deserves to be) a major player on the American scene, it's not enough to defend the perquisites of dockworkers and GS-12s. Its mission has

Workers get "more" because they produce more; labor's gain is nobody's loss.

And this makes *Workforce Development and the New Unionism* a very interesting book. It's interesting in part because of its content: 11 chapters covering various union-based efforts to boost workers' skills and productivity. It's even more interesting because of its provenance. This is a book of, by, and for the labor movement itself. The International Ladies' Garment Workers' Heritage Fund financed it. The authors are all labor stalwarts, including union presidents Morton Bahr of the Communications Workers of America and Sandra Feldman of the American Federation of Teachers. The volume seems to be circulating mainly within labor circles. (Unlike most books, even painfully obscure ones—my books, for instance—*Workforce Development and the New Unionism* isn't available on Amazon.

that is, providing the tools our members need to make them more employable...." Bahr spent some of the CWA's few remaining chips at the bargaining table to lock up employer-funded worker training for his members.

Companies have always provided a fair amount of training, on their own nickel and in their own interests, but it's mostly tilted toward managers and professionals. When the rank-and-file do get employer-funded training, it tends to be in company rules and procedures, proprietary software, the use of specialized equipment, and other skills that don't boost earning power outside the company and hence don't boost bargaining power inside the firm. Bahr urges other unions to follow this lead. "Our culture must change to one that fosters and supports lifelong learning..." argues Bahr. "Done the right way, it can become an opportunity—perhaps a key to labor's renewal."

"We recognized that we
could no longer promise our
members job security."

com; you have to order it from the New Economy Information Service at www.newecon.org.) The prose is heavy with the acronym-laden earnestness that labor adopts for conversations within the family. Eavesdropping on this conversation offers some intriguing insights into today's mostly civil and hugely consequential struggle for the labor movement's soul.

Bahr sets the tone. His Communications Workers of America—blue-collar aristocracy barely two decades ago—has been savaged by the perfect storm of deregulation, the Bell System breakup, and warp-speed technological change. "We recognized that we could no longer promise our members job security," he recounts, so the union "changed our strategy to one of providing employment security—

Bahr may not yet represent the labor movement's mainstream, but he is far from alone. *Workforce Development and the New Unionism* presents abundant evidence that union involvement in education, training, and productivity improvement is neither recent nor rare. Retired union leader Gus Tyler recounts the skill-building efforts of the International Ladies' Garment Workers' Union in its formative years, including the establishment of a "Workers' University" in World War I-era New York City. (A local-interest bonus here is the tale of the Katz family of Posen changing their name to "Filene"—"Feline" seemed too transparent—when they came to America. Staunch believers in what would today be called employee stock ownership, the Boston mer-

chants were key allies in helping the ILGWU crack the New York garment trade.) Labor writer Beth Rogers explains how appalling rates of on-the-job fatalities inspired the formation of the International Brotherhood of Electrical Workers and led it to focus on training from the start. Since 1941 the IBEW and the electrical contractors' trade association have jointly run a top-notch apprenticeship program. Rex Hardesty describes the Seafarers International Union's sophisticated educational programs, which have made US merchant mariners worth their comparatively lofty pay as ships go high-tech. Former Clinton speechwriter David Kusnet reveals the role played by the International Association of Machinists and Aerospace Workers in the performance-and-productivity campaign that resuscitated motorcycle manufacturer Harley-Davidson.

Will human-capital investment become a mainstay of union strategy? The jury is still out. In his introduction, editor Penn Kemble concedes that some unionists "may regard what is generally called work force development as a tepid, accommodationist strategy." True enough, the term doesn't lend itself to one of those hand-clapping, heart-stirring old union songs. ("Oh, a dose of work force development/Can keep those unions relevant!" Maybe not.) After decades of insults and injuries, on the political and economic fronts alike, some unionists are more inclined to man the barricades than to file into the classrooms. Skeptics from various factions of the labor movement question the payoff from training: Why waste labor's leverage on undertakings that promise benefits that are, at best, diffused, delayed, and shared with management?

There's also a potential dark side to labor's role in work force development, what Kemble coyly refers to as "the influence it gives unions in shaping labor markets." Education and training can be converted into a vehi-

cle for turf protection, and at several points *Workforce Development and the New Unionism* hints that ramping up the anti-competitive aspects of training programs is a perennial temptation for labor. Of course, blue-collar unions are not the only ones who make use of formal credentials to limit entry; this is pretty much the whole idea behind the American Medical Association and other carriage-trade guilds. But supply restriction is a different strategy than real work force development, and ultimately a shabbier one. "More" for the duly credentialed union worker means "less" for others—consumers, investors, and the poor schlump who's perfectly able to do the work but lacks the entry ticket—with no net value created.

Despite the barriers and hazards, however, unions may be uniquely positioned to play a pivotal role in

work force development. It's become a cliché—and like most clichés, a reality—that lifelong learning is the key to prosperity in our global, technology-driven economy. Yet sorting out responsibilities for funding, designing, and delivering worker training has proven to be a devilishly difficult piece of policy architecture. It's hard to structure incentives, obligations, and information flows that induce the various players—employers, training providers, government, and workers themselves—to make efficient choices and to operate accountably. Labor unions may possess just the right mix of expertise, interest, and legitimacy to orchestrate work force development efforts. An emphasis on training that boosts both productivity and earning power, meanwhile, could simultaneously increase union appeal to workers and reduce employer resistance.

The story of the labor movement—a story as rich with glory and grief, virtue, shame, and triumph as any in American history—just might feature work force development as a central theme in its next chapter. It's clear that the authors of *Workforce Development and the New Unionism*, at least, view skill building as a modern manifestation of the movement's most red-blooded traditions. As Kemble puts it: "Those who are not born to education are undertaking a form of class struggle when they educate and train themselves, and help fellow workers do the same." Maybe there's a song in there after all. ■

John D. Donahue teaches at Harvard's Kennedy School of Government and held senior Labor Department posts in the Clinton Administration. His latest book is For the People: Can We Fix Public Service?, forthcoming from Brookings.

Workforce Development and the New Unionism

Editor: Penn Kimble; Publisher: New Economy Information Service

Reviewed by

Dr. Andrew A. Rezin,

ADMINISTRATOR, AUTOMOTIVE AND APPLIED TECHNOLOGIES, COLUMBUS STATE COMMUNITY COLLEGE

Public perception of unions is most often founded on recollections of the divisive labor struggles of the mid-20th century. The world we live in today, however, differs dramatically from those times. Organized labor has recognized this and undergone major changes in order to remain viable in the global economy of the 21st century. This eye-opening account provides an insight into the world of unions that many don't realize exists. It is a new day ... it is a 'New Unionism'.

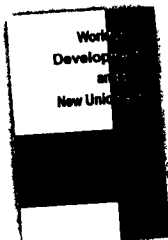
One of the most significant changes that unions have undertaken is to redouble their existing commitment to education and training. They have realized that the only way to maintain a competitive edge in the shrinking global marketplace is through constant education and training, and they have done something about it. Organized labor has long held the position that providing world-class trained employees (even at higher wages) are a better value to the marketplace than their lesser-prepared, lower-priced alternative. Therefore, they have set about building and maintaining the infrastructure necessary to produce the best qualified workers in the marketplace through their apprenticeship training initiatives. They have followed this up with a commitment to maintaining excellence with lifelong learning opportunities for journeyman workers.

The collection of essays that comprise this volume provides an overview of the depth and breadth of union involvement in career preparation, career development and lifelong learning through their training systems. The articles demonstrate the universal need for training as they explore examples that span a wide range of industries (from the shipyards to hotels) and careers (from industrial electricians to garment workers).

Essential lessons that can be gleaned from these accounts are not limited to the direct benefits that the educational and training programs provide for individual union members. They make a second, and no less important point. They illustrate the 'return on investment' that management, the employer, the industry, and our nation receive as a result of this educational focus.

David Kusnet's essay on the machinists at Harley Davidson clearly demonstrates the return on investment to the employer for the training they provide. The innovation and change in the way work is done at HD is credited as being essential to their very survival. The success stories of the Hotel Employees and Restaurant Employees Union (HERE) and of the International Ladies Garment Workers Union (ILGWU) clearly demonstrate how providing training to employees can increase their commitment and willingness to work more closely with management to enhance operations to their mutual benefit. Sam Leiken closes the discussion by adding some additional food for future thought and further action ... this concept has worldwide applicability. Further, evidences from other nations indicate that we're behind in taking advantage of it!

This account is an eye-opener for many, especially to educators. Those who haven't had recent first hand involvement with union operations and their training arms will be surprised to learn about 'the other side' of union operations. It provides us with a unique view into unionism and allows us to begin to appreciate the unique position that they play in the development and maintenance of a skilled workforce that is so essential to the current and future success of our nation in the global economy.



Workforce Development and the New Unionism

edited by Penn Kemble, with a foreword by Morton Bahr, president of the Communications Workers of America, presents 11 essays that detail the challenges and opportunities of work-

ers' education and training needs in today's economy. The essays explain how apprenticeships spearheaded in the past by the Seafarers and other unions have ensured a skilled workforce and how education and training issues give unions an edge in enabling workers to win a voice at work. \$12.50 paperback. New Economy Information Service (NEIS). Call NEIS at 202-347-2348 or e-mail vthomas@newecon.org.

www.aflcio.org/politics—The AFL-CIO's People Powered Politics site provides workers tools and information for the campaign season and beyond. Workers can register to vote, find out which candidates local union movements endorsed for federal or statewide office and learn more about key issues in this year's elections—including education, Social Security, wages and fair trade. Also read congressional voting records, hear from political activists and see how unions' people-powered politics takes on Big Business' big bucks.

www.workingfamielstoolkit.com—

A simple six-step process enables activists to design customized political fliers, selecting issues and adding their union's logo. The completed flier will be e-mailed to them as an Adobe Reader PDF file that can be taken to a local printer or printed in bulk and shipped overnight. By clicking on Labor 2002 in the toolbar at the top of the page, visitors can download a timeline for the 10-point plan at the core of the union movement's political program.

www.issues2002.org—Research incumbent candidates by clicking on the appropriate state and on an incumbent's name to find a comprehensive list of the elected official's voting record, sometimes with quotes and newspaper excerpts. A chart lists incumbents' positions on key issues based on their votes.

www.vote-smart.org—Visitors to Project Vote Smart will find information on hundreds of ballot issues and more than 42,000 candidates for public office, some of whom completed detailed issue questionnaires

posted on the site. Extensive state information includes lists of county elections boards and congressional district maps. There's also a "youth inclusion project" aimed at young voters and a research hotline (888-VOTE SMART).



In "Who Pays the Price for Corporate Greed?" a brand-new, five-minute video produced by the AFL-CIO, laid-off Enron and WorldCom employees and other workers describe firsthand the high price of corporate greed on their lives and their futures: lost jobs, savings, pensions, health care and more. The action video showcases activists urging working families to vote for candidates who will stand for them, not for corporate special interests.

The video is great tool to show:

- At town hall meetings and other public meetings through election season.
- Before phone banking and leafleting to enthuse volunteers.
- At union meetings mobilizing members for get-out-the-vote action.

For free video copies, call the AFL-CIO Support Services Department, 202-637-5042; outside Washington, D.C., at 800-442-5645. ☎

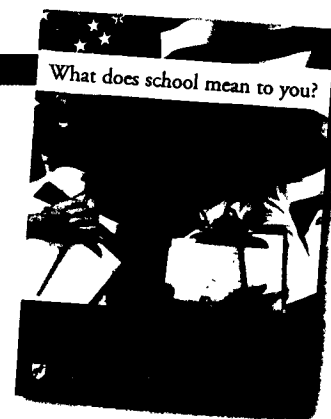


Harry Van Arsdale Jr.: Labor's Champion

by Gene Ruffini, brings to life an icon of New York's 20th century union movement, Harry Van Arsdale, who led Electrical Workers Local 3 for decades and whose influence stretched well beyond his 30,000-member union. A strong advocate of civil rights and champion of fair wages, Van Arsdale was a nationally and internationally accepted figure equally at home with workers and President John F. Kennedy. Available to union members for the discounted price of \$15.95 hardback through Nov. 30; \$29.95 after that date. Call M.E. Sharpe, 800-541-6563, or visit www.mesharpe.com.

The Media: Shaping the Image of a People, by Bill Overton, includes a compilation of illustrations from *Harper's Weekly* from the 1850s through the post-Emancipation era and photographs from the 20th century. Overton, a member of the Screen Actors, says his goal in creating the book was "to shine a floodlight on those who present you and me to the world via film, TV, video, radio, Internet and the print media." \$45 hardback. ProStar Publications. Available in bookstores.

AFT has created a set of five posters that underscore the meaning of freedom, democracy and education for America's schoolchildren by combining the words and pictures of students. The 17-inch by 24-inch posters are available to AFT members for \$3 per set or \$10 for nonmembers. For more information or to download an order form, visit the website www.aft.org/posters or order from AFT Public Affairs—Posters, 555 New Jersey Ave., N.W., Washington, D.C. 20001-2079.



New Book Details Role Unions Play In
Education and Training in Workforce Development

Workforce education and training of U.S. workers is necessary to compete in the global economy, and unions can play an integral part in this workforce development, according to a new book published by the New Economy Information Service.

"Workforce Development and the New Unionism" is a collection of essays that provides a review of the labor movement's contribution over the years to workforce training, as well as ideas about how further efforts at workforce development might strengthen the U.S. economy and the labor movement.

In his introduction to the 210-page book, Penn Kemble, a former head of the U.S. Information Agency, who edited the collection, contends that throughout their history, unions have played "an important part in the education and training of the American workforce. This effort continues and is even expanding today," he said, and could hold clues to a "labor revival."

Essays written by labor leaders, educators, and economists provide a number of examples of successful union-sponsored education and training programs, including one established by the Hotel Employees and Restaurant Employees in Las Vegas that has reduced employee turnover, improved service, and permitted management greater flexibility in deploying its workforce.

One chapter is devoted to a partnership agreement between the International Association of Machinists and Harley-Davidson to provide workers with continuing skill developments that helped save the company. Another chapter describes how the International Ladies Garment Workers Union (now part of the Union of Needletrades, Industrial, and Textile Employees) showed its members' employers how to work with their employees to introduce new manufacturing processes and technologies.

In a forward to the collection, Morton Bahr, president of the Communications Workers of America, contends that the culture in the United States must change to one "that fosters and supports lifelong learning. We in the labor movement have an

important part to play in this culture change. But it is not simply another burden to be borne. Done the right way, it can become an opportunity -- perhaps a key to labor's renewal."

The final chapter describes an approach being tested in Great Britain in which some businesses and unions are turning to partnerships, skills development, and strategies for improving productivity. The author contends that after a long period in which bitter industrial disputes soured many British voters on labor, this new approach is winning approval from the wider public, and is a direction that U.S. unions might consider.

The New Economy Information Service studies and reports about the impacts of globalization and new technologies on democratic institutions in the United States and abroad. NEIS is a project of the Foundation for Democratic Education, a nonprofit, tax-exempt organization.

Copies of the book "Workforce Development and the New Unionism," can be obtained for \$12.50 from the New Economy Information Service by calling (202) 347-2348 or by e-mail at postmaster@newecon.org.

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Selected Orders for “Workforce Development and the New Unionism”

AFL-CIO Public Policy Department
Amalgamated Transit Union
American Federation of Teachers, Education Issues Department
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Boston Workforce Development Coalition
Center for Women and Work, Rutgers University
Centre for Labour Research, Australia
Commonwealth Magazine
Confederazione Generale Italiana del Lavoro, Italy
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Council for Adult and Experiential Learning
Educational Testing Service
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National Center on Education and the Economy
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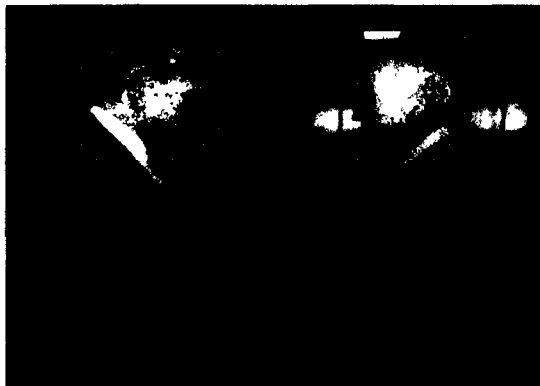
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NEIS provides information and reviews debate on the impact globalization and technological change has on the home and abroad. Current interest focuses on how American workers can be equipped with the skills they need for employment and economic security, and on how the globalization of the economy and the expansion of the labor market strengthen one another.

NEIS Projects

WORKFORCE DEVELOPMENT

National Press Club Discussion
with **John Monks** General Secretary, British Trades Union Congress, introduction by **Morton Bahr**, President, Communications Workers of America, on workforce development and training, January 3, 2003.



L to R: John Flynn, President, International Union of Bricklayers and Allied Craftworkers; John Monks, General Secretary, Trades Union Congress; and John Sweeney, President, AFL-CIO.

NEIS Publication: **"Workforce Development and the New Unionism"**

A collection of essays on how American unions contributed to building the workforce skills and competencies that have made the American economy among the most productive in the world. (For a copy of the book e-mail us at: postmaster@newecon.org.)

Labor and Workforce Development Conference

Links

NEIS E-Bulletin June 2003

For previous e-bulletins go to
[E-Bulletin Archives](#)

Noteworthy

U.S. Unions Resume Talks After
Leigh Jenkins, *South China Morning Post*, 5/29/03
Letter to the Editor
Barbara Shailor, Director, International

AFL-CIO Promotes Public Sector
Three exemplary labor-management partnership
jobs and taxpayer dollars in the public sector
a Capitol Hill briefing organized by the W
Institute on October 16, 2002

Remarks of Anthony Carnevale
The role of education and training in the
at the Working for America Conference

Thirst for Knowledge
Associations, Information
Professional Development
A presentation by Richard Hurd on the role of
providing opportunities for members to access
access information, and network

Temporary Employment As
Strategic and Challenges
A presentation by Jeffrey Grabelsky on the
and Construction Trades Department's national
temporary employment agencies that displace
workers.

A Partnership of Skills
New Strategies for Union G
A presentation by John Lloyd, AEEU, UK, on
labor/management relations that is helpful

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BRITISH LABOR MOVEMENT

The Quiet Revolution: The Rise of Learning Representativ

A publication by the Trades Union Congress union center for England and Wales, which and achievements of the first 2500 learnin 1998.

Individual Learning Acco (or Lifelong Learning Acco

Policy papers developed by the Council of Experiential Learning.

Testimony of Steven Kel

Weatherhead professor of Public Management, Harvard University, Kennedy School of Government, retaining a talented workforce for government IT arena.

A Call For Justice

Statement by the AFL-CIO Executive Council, 2001

Sir Ken Jackson

General Secretary, AEE

"Why I Support the War on Terror," No

Multi-emission Legislatio

SO2, NOx, Mercury and

Unions for Jobs and the Environment
December 4, 2001

Noteworthy Archives

What is NEIS?

Reports

- ☒ Traffic
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- ☒ Browsers
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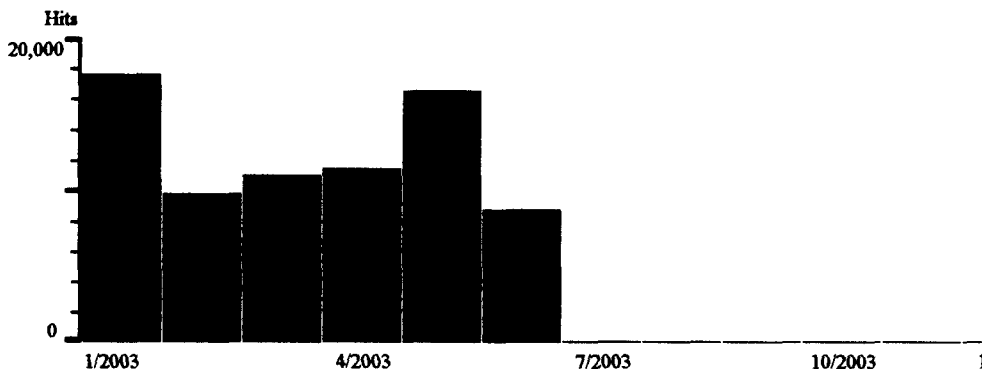
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Volume 3, No. 3, June 2003

New Economy Information Service E-Bulletin

In this issue:

- **NEIS and Albert Shanker Institute Form Task Force on Workforce Development**
- **"Go Rust, Young Man!" Skills Shortages Hit Manufacturing**
- **Governor Rendell Challenges the Training Bureaucracy**
- **Unionism Leans on More Educated Workers**
- **Europe Loosening Labor Markets**

NEIS and Albert Shanker Institute Form Task Force on Workforce Development

Training workers to meet the challenges of a rapidly changing labor market is the focus of a task force that convened its first meeting in Washington on June 3. The task force, co-sponsored by NEIS and the Albert Shanker Institute, will propose ideas on how trade unions, with their wealth of experience in top-quality training programs, can cooperate with business, educators, professional associations, and community leaders to create innovative training strategies tailored to accommodate the realities of the 21st century marketplace. The group is co-chaired by Sandra Feldman, President of the American Federation of Teachers, and Morton Bahr, President of the Communications Workers of America. Among the members of this private sector initiative, which is still in formation, are the presidents of four other AFL-CIO unions; William Daley, former Secretary of Commerce and now President of SBC Communications; and a distinguished group of scholars and educators. (See full Task Force membership list below.) These distinguished Americans agree that, in an age of globalization and a growing shortage of critical skills, U.S. workers --and the U.S. economy -- stand to gain enormously by creating new partnerships and networks around training.

In remarks to the opening meeting President Bahr told how his union's training and education programs have won solid support from his union's membership, and have become so valuable to cooperating companies that they survive comfortably in times of stress. Bahr also argued that labor can take better advantage of opportunities arising in this field, and will benefit by explaining its work in training and education to the wider public.

Anthony Carnevale, Vice President of the Educational Testing Service, told the group that if the population of the U.S. grows 2% a year as projected, we will face a shortage of some 13 to 15 million workers by the year 2020. About two-thirds of this shortfall will come in occupations that require some advanced education and training. Some of these higher skilled workers will become available as certain baby-boom workers delay retirement, and some can be found through immigration. Some employers will try to ease skills shortages by sending work abroad. But all these solutions are either inadequate or will pose significant political liabilities. Therefore the challenge will in some measure require re-training elements of our existing workforce. And the problem is not far-off: there are spot shortages of workers in some skills now, and pressures will grow if there is an economic recovery.

"Today everybody has a line in their speeches about life-long learning," said Carnevale, "but hardly anybody has a line in their budgets." Many colleges are now cutting back on the services they offer so-called "non-traditional" students -- those who are upgrading vocational and professional qualifications rather than seeking undergraduate or graduate degrees. "Higher education moves votes," Carnevale noted, "training doesn't." But many workers understand their need to improve their training and education. This growing awareness can provide concerned labor and business leaders a potent public issue.

John Flynn of the Bricklayers described an analysis by his union that foresees the need to train between 50 and 100 thousand workers in a range of masonry skills in the coming decade. He pointed out that while some employers are hesitant to invest in training because of the risk that workers will then jump to other jobs, others, including some associated with the Business Roundtable, argue that investments in training are well worth it.

The group's discussion also touched on the importance of community involvement, as exemplified in the Wisconsin Regional Training Partnership, and on the importance of a skilled workforce to America's national security and social cohesion.

The Task Force will meet again in the Fall to develop its analysis and recommendations. Please send suggestions and materials to malcaravatti@newecon.org.

Task Force Members

Sandra Feldman, *President, American Federation of Teachers; Co-chair*
Morton Bahr, *President, Communication Workers of America; Co-chair*
Paul Almeida, *President, Department of Professional Employees, AFL-CIO*
Anthony Carnevale, *Vice President for Public Leadership, Educational Testing Service*
William Daley, *President, SBC Communications*
John Donahue, *Raymond Vernon Lecturer in Public Policy, John F. Kennedy School of Government*
Edwin Hill, *International President, International Brotherhood of Electrical Workers*
John J. Flynn, *President, International Union of Bricklayers and Allied Craftworkers*
Ernest Green, *Managing Director of Public Finance, Lehman Brothers*
Steven Herzenberg, *Executive Director, Keystone Research*
Gregory Junemann, *President, International Federation of Professional and Technical Engineers*
Penn Kemble, *Democracy and the Global Economy Project, NEIS; Senior Scholar, Freedom House*
Nancy Mills, *Executive Director, Working for America Institute, AFL-CIO*
Terence O'Sullivan, *General President, Laborers' International Union of North America*
Eric Parker, *Executive Director, Wisconsin Regional Training Partnership*
Saul Rubinstein, *Associate Professor, Rutgers University*

Dr. Marie-Louise Caravatti, *Task Force Director*

"Go Rust, Young Man!"

Skills Shortages Hit Manufacturing

"The widespread loss of manufacturing jobs over the past two years has concealed a looming shortage of highly skilled employees that could undercut manufacturing competitiveness and weaken the U.S. economy, according to a study

Governor Rendell Challenges the Training Bureaucracy

Pennsylvania's Governor Ed Rendell believes that workforce skills are key to modernizing his state's vintage-industry economy. His Deputy Secretary for Workforce Development, Sandi Vito, says that the state's employment and training program is a "system in need of repair."

This fall Gov. Rendell will present a plan for thorough-going reforms.

entitled "Keeping America Competitive: How a Talent Shortage Threatens U.S. Manufacturing."

This counter-intuitive insight comes in an April 24 report by Business Wire, Inc., about a study undertaken by the National Association of Manufacturers, the Manufacturing Institute and Deloitte & Touche.

This skills shortage "appears to be the result of a convergence of factors, including demographic shifts, failures of the educational system, and an outdated image of manufacturing tied to the negative stereotype of the 'assembly line.'"

Says Jerry Jasinowski, President of the NAM, "Unchecked, the shortfall could quickly hobble our manufacturing competitiveness once the global economy recovers in earnest."

NAM's message to the dispossessed proletariat of Silicon Valley: come back to the factory: "Today's manufacturing company is a major source of high-tech innovation, wealth creation and exciting, varied opportunity. Manufacturing's varied jobs and careers averaged \$54,000 in total compensation in 2000 -- 20 percent higher than the average of all American workers -- while 83.7 percent of manufacturing employees receive health benefits from their employers, more than any other sector except government."

In an article on this same theme in Industry Week entitled "The Next Crisis: Too Few Workers," industry analysts point out that while manufacturing companies may employ fewer workers in the future, the jobs that will be available will require higher skills than 'traditional' manufacturing. For example, the pharmaceutical industry is already experiencing supply shortages in Ph.D.s, M.D.s and veterinarians.

<http://www.industryweek.com/CurrentArticles/Asp/articles.asp?ArticleId=1423>

According to an advance release, his new package will stress:

- "Making the system more market driven.... An employer-led consortium will define critical job vacancies and skill shortages so job-training programs can be developed specifically to provide people with real opportunities for employment, advancement, and career paths."
- "Giving local Workforce Investment Boards more flexibility," in order to "enable local communities to address the unique needs of their regional economy and workforce."
- "...[M]easuring outcomes and using the data to ensure investment in successful workforce initiatives."

Pennsylvanians may recall that Governor Rendell faced some union opposition in his primary campaign, and worked hard to win support in some of the state's economically troubled regions. How well his laudable workforce goals advance may depend on whether unions and community leaders as well as employers are partners in the program.

Unionism Leans on More Educated Workers

A new study "The Decline of U.S. Labor Unions and the Role of Trade" by international economist Robert Baldwin was released at a seminar held at the Institute for International Economics on June 4. Baldwin's central thesis addresses the decline in the proportion of American workers belonging to unions between the years 1977 and 1997. The proportion of union members in the work force fell from 25 percent to 14 percent, a drop of 44 percent. The study examines various reasons why this has occurred, and argues that international trade may not be as important as some think.

But Baldwin's wide-ranging analysis reveals what for readers of this bulletin may be an especially interesting point: while union membership is still declining across the workforce, it is declining more slowly among more educated workers.

The decline in unionization was more severe for workers with basic education - 12 years or less - where union membership fell by 52 percent. In contrast, the extent of decline among workers with more than 12 years of education was considerably less - a decline of 32 percent.

Unions also had more difficulty protecting the wages of workers who have less education. The "wage premium" (the amount a unionized worker earns above the wage of a non-union worker) for union workers with less than 13 years of education fell from 58 to 51 percent over the twenty-year period, whereas it actually rose a bit for better-educated union members, from 18 to 19 percent.

[See http://www.iie.com/publications/bookstore/publication.cfm?Pub_ID=352

Europe Loosening Labor Markets

Faced by high unemployment and sluggish economic growth, European countries that have long resisted such change are moving toward relaxing labor market rules and reducing social benefits, steps that may make them more competitive with the U.S.

German Chancellor Gerhard Schroeder won a strong majority for a package of reforms at an extraordinary Congress of his party on June 1, after threatening to resign if his party's left refused to back him. The measures, which will be introduced to parliament later this year, will cut benefits to the long-term unemployed, trim public spending on health care and pensions, and make it easier for companies to lay off workers and raise the age of retirement. Germany's Green Party followed suite at a special congress soon after, voting nine to one to endorse Schroeder's reforms.

A referendum held in Italy on June 16 to extend provisions of the country's controversial Article 18 of the labor code to small businesses was defeated when turnout fell far below the 50% minimum. (Under Article 18, an employer can be forced to rehire a worker dismissed for what a judge considers "just cause" -- a rule that employers say discourages them from hiring full time employees.)

The Italian referendum was backed by Italy's large left-wing labor federation, although two moderate union groups urged members to abstain from the vote. "We have lost," Fausto Bertinotti, head of the Refounded Communist Party, exclaimed. "A profound injustice that divides workers remains in the country." The Government of Prime Minister Silvio Berlusconi may now press ahead for other changes in Italy's labor law and social welfare system.

Debate in Germany was enlivened by an exchange between the Social Democratic labor minister, Wolfgang Clement, and the head of the country's Catholic Church. "In terms of vacation time, public holidays, and working hours, we have without doubt reached the limit," an exasperated Clement told Stern Magazine. Cardinal Karl Lehmann retorted that any reduction in time off would "have a damaging impact on the social climate."

Germans have what are, from one perspective, enviable holiday benefits. According to one account, they get up to 17 public holidays a year, compared to 8 for Britain and 11 for France. Their workweek is also shorter, only 35 hours. And they get a more generous vacation: about 30 days a year, compared to 26 days for the rest of the EU.

Europeans seem unlikely to give up their "social contract" easily, but so far the strategies put forward by those who value it have been almost entirely defensive.

About NEIS

This E-Bulletin is published by the New Economy Information Service (NEIS), a project of the Foundation for Democratic Education. NEIS provides information and reviews debate on the impact globalization and technological change has on democracy at home and abroad. Current interest focuses on how American workers can be equipped with the skills they need for decent employment and economic security, and on how the globalization of the economy and the expansion of democracy can strengthen one another.

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Volume 3, No. 2, April 2003

New Economy Information Service E-Bulletin

In this issue:

- **A Nation of Professionals: The Military Shows the Way**
- **White-Collar Jobs: Going The Way of Manufacturing?**
- **Capitalists Against Markets**
- **The Workforce Investment Act: Sorting Out the Muddle**
- **Small Business and British Labour Cooperate on Training**

A Nation of Professionals: The Military Shows the Way

Public opinion polls show that the U.S. military enjoys great respect today, despite the anti-government temper that prevails in so much of our politics. Watching televised interviews from Iraq with both officers and the ranks helps explain why. Over and over one hears about professionalism, "doing my job," and the pride the troops take in the skills and training they have received. As authors David King and Zachary Karabell put it, "The military has come to be defined by high levels of skill, dedication, and discipline."¹

A headline in last Sunday's New York Times asserts that, while the socio-economic group it draws from may be out of fashion in our politics, never-the-less, our "Military Mirrors Working-Class America." As the accompanying story explains, "America's 1.4 million-strong military seems to resemble the makeup of a two-year commuter or trade school outside Birmingham or Biloxi far more than that of a ghetto or barrio or four-year university in Boston."²

But just because military recruits are not the most troubled slum kids does not mean they lack diversity. Only some 60 per cent of enlisted men and women are white, while 22 per cent are black -- the rest being other minorities. The paradox is that an institution with what is usually considered a somewhat conservative temper today looks more like the ideal society of Martin Luther King, Jr. and Hubert Humphrey than any Ivy League university.

To some observers, the successes of the military in this field represents a success of affirmative action. Because the University of Michigan affirmative action case is now before the Supreme Court, the experience of the military is likely to become the focus of much discussion. It in fact has been the policy of the military to recruit and promote members of minority groups for leadership positions. But affirmative action in the military

is not based on a rigid quota system, and steps are taken to assure that candidates for advancement meet high standards. There is no dumbing down for the sake of diversity. To quote University of Maryland scholar William Galston:

- "Military affirmative action plans do employ goals: promotion of minorities and women within the eligible pool is to occur in the same percentages as overall promotions from that pool. But in many cases the goals are not linked to timetables. In addition, the goals serve as presumptions, not mandates; promotion boards that fail to meet them are deemed to have done their job correctly if they can demonstrate due diligence."
- "All candidates for promotion are placed in a common pool and are subject to the same standards. Race can serve as a factor, but only when other differences are very small. As one officer put it, 'Only fully qualified people are promoted, but not necessarily the best qualified. But don't forget, we are talking micro-millimeter differences in these cases.'"
- "The armed forces engage in constant training, including compensatory training, before as well as after admission to the All-Volunteer Forces, to enable the highest possible percentage of individuals to meet high standards. While outreach efforts are not racially exclusive, some are 'race-conscious.' New recruits who are diagnosed as having particular weak spots are given numerous opportunities to remedy them."³

Recruiters for the military services follow an approach to affirmative action that is closer to that proposed by author Richard Kahlenberg -- an emphasis on quality recruits from backgrounds that afford limited economic opportunities -- than to an approach that rests on strictly racial and ethnic quotas.⁴ And, as Bill Galston notes, they not only offer the recruits a ladder to climb, they teach them how to climb it. If they can't climb, they aren't simply pushed on up.

Are there lessons for the American economy in the experience of the U.S. military? One may be that you can fashion a world class corps out of young people who may not always be stellar academic performers. But that takes a lot of education and training -- more than seems likely to be available the economic sphere unless a broad political consensus drives and shapes it.

Notes:

1. "The Boomer's Babies," David King, Wall Street Journal, March 31, 2003 (subscribers only). See also "The Generation of Trust: How the U.S. Military Has Regained the Public's Confidence Since Vietnam," David C. King and Zachary Karabell, AEI Press, March 2003.
2. "Military Mirrors Working-Class America," David Halbfinger and Steven A. Holmes, New York Times, March 30, 2003.
3. "The Affirmative Action Debate," William A. Galston, *Philosophy and Public Policy*.
4. "The Remedy: Class, Race, and Affirmative Action," Richard Kahlenberg, Basic Books, June 1997.

White-Collar Jobs: Going The Way of Manufacturing?

It is still a trickle, but analysts are wondering if they are witnessing the beginnings of a stream of U.S. service sector and white-collar jobs flowing to lower cost countries.

The manufacturing sector has seen jobs migrate offshore for years. Since the late 1970s manufacturing jobs as a percentage of total private non-farm payrolls have been halved, falling from 30 percent in 1975 to 15 percent in 2002. Both the number of jobs within a given service sector and the number of service sectors affected by overseas outsourcing are on the rise. At first customer service call-centers moved to developing countries, but today overseas radiologists interpret CT scans for U.S. hospitals, foreign accountants evaluate U.S. loan applications and U.S. architectural projects are designed overseas. Jobs in the information technology sector, one of America's best-paying industries, are also going overseas, or to foreign workers, often underpaid, who are brought into the United States through the H1-B visa program.

Over the next 15 years, 3.3 million U.S. service industry jobs and \$136 billion in wages will move offshore, according to a report by Forrester Research Inc. Of the 145 U.S. companies surveyed, 88 percent of the firms that go overseas for services

The Workforce Investment Act: Sorting Out the Muddle

The Workforce Investment Act (WIA) of 1998 was supposed to create a comprehensive system of federal job training and educational programs. It has produced a tangle of bureaucracy that offers little to employed workers whose jobs are at risk from globalization or technological change.

By passing this group by, the WIA forfeits its claim to being comprehensive. More important, it leaves our workers and our economy in a largely defensive stance when it comes to dealing with turbulent and sometimes destructive forces of economic change. To play on the current Washington preoccupation, it's like responding to terrorism with duct tape and bottled water instead of taking the offensive.

The rationale for the Workforce Investment Act was that it would consolidate a number of diverse federal programs that had some education and training component. Most of these programs had their genesis in job training efforts that were tied to social welfare programs of the 1970s (CETA) and the 1980s (JTPA). The central purpose of these programs was to help people who had difficulties getting into the mainstream workforce: the urban poor, those in areas of severe unemployment, young people, returning veterans, the disabled, migrant or seasonal farmworkers and American Indians.

By and large, the programs that fall under WIA offer education and training to help groups with widely diverse social, economic and physical problems become productive, independent members of the labor force. The hope was that WIA would improve services, delivery mechanisms, and performance measures by making them more uniform and coherent. But it soon became evident that the bureaucratic impulse for consolidation was running afoul of the absence of homogeneity among the populations being served. This has made the effort unwieldy, and, according to some, too often unworkable.

Congressional authorization of WIA expires on September 30, 2003, and the Bush Administration has proposed a number of changes to the legislation that it

claimed to get better value for their money offshore than from U.S. providers, and 71 percent said offshore workers did better quality work. A CNN/Money article on the survey said: "... (developing country) workers are increasingly better-trained, especially if they've spent significant time working in the United States on temporary visas."

(See also: "White-Collar Work A Booming U.S. Export," Peter Goodman, Washington Post, April 2, 2003.)

Capitalists Against Markets

Labor history is often recounted as a saga of unrelieved conflict. Peter A. Swenson, Chairman of the Political Science Department at Northwestern University, has written a useful book that provides some balancing perspective: *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden* (Oxford University Press, 2002).

Dr. Swenson compares the development of labor and welfare systems in Sweden and the U.S. - two countries that often seem very different. He finds some intriguing similarities. In both countries, cooperation across class boundaries was necessary to achieve progress in unemployment insurance, health care, social security and other welfare measures. Sometimes this cooperation was overt, while in others either business or labor purposefully stepped back, offering no resistance to change

contends will make WIA better serve "the workforce needs of businesses and individuals." Some of the changes aim at cutting away administrative complexities: reducing the size of the boards that oversee WIA implementation at state and local levels, streamlining performance indicators, and re-jiggering funding mechanisms for local "One-Stop Career Centers."

Other changes proposed will alter funding formulas for the allotment of federal funds to the states for the state-managed programs that WIA mandates. (Some contend these are simply ways of cutting federal funding.)

But two changes being proposed in WIA could prove interesting. First, mainly at the urging of employer groups, states may be allowed to spend up to 10 % of adult grant funds on incumbent worker training. This opens the way for experiments in training workers who now have jobs so they can keep them as skill requirements change - a way of avoiding predictable job losses, not just ministering to the wounded.

Second, a proportion of the funds provided to the states may be made available to Governors for "activities such as rapid response, support for core services in the One-Stop system, evaluations and demonstrations." Giving Governors this flexibility could open WIA-funded programs to new political pressures. But giving the Governors some latitude can also produce innovation and accountability.

In recent times, the states have often served as laboratories for effective social and economic policy. America's workforce development strategies are still heavily influenced by concepts rooted in the welfare state and industrial economy of a passing era. If nudged in the right direction, the Governors could help.

Small Business and British Labour Cooperate on Training

Natascha Engel, a Labour Party NEIS E-Bulletin reader, reports that British trade unions and small business representatives are working together on training and employment issues. The two groups have sponsored a pilot project in Liverpool in which companies with fewer than 10 members get advice from union training

offering no resistance to change. Swenson contends that when labor or reformers try to move forward without the support or acquiescence of business, they "underestimate the power of capitalists in a capitalist society." His description of the dynamics of union/employer cooperation on behalf of social legislation in the past may offer useful lessons for those working to build business/labor partnerships for training at the workplace.

representatives with no strings attached.

The undertaking is getting warm cooperation from the business side. Jim Redmond, head of research at the Forum of Private Business, told Business Europe "We want to help both employers and workers get the most out of training and skills and we hope the pilot scheme will bring about more understanding and cooperation between SME employers and the unions."

About NEIS

This E-Bulletin is published by the New Economy Information Service (NEIS), a project of the Foundation for Democratic Education. NEIS provides information and reviews debate on the impact globalization and technological change has on democracy at home and abroad. Current interest focuses on how American workers can be equipped with the skills they need for decent employment and economic security, and on how the globalization of the economy and the expansion of democracy can strengthen one another.

To make a contribution, offer a comment, add your name to our mailing list or to be removed from this list, please e-mail us at: postmaster@newecon.org
or visit our web site at:
<http://www.newecon.org/>

Did you miss us?

Past issues of our **NEIS E-Bulletin** are available on-line by [clicking here](#).

Sources of FDE Income 1994 to 2002

FY 2001-2002

Bradley Foundation	149,000	
Albert Shanker Institute	100,100	
ILGWU Heritage Fund	40,000	
TOTAL		289,100

FY 2000-2001

Bradley Foundation	149,000	
A. Shanker Institute	43,920	
TOTAL		192,920

FY 1999-2000

Bradley Foundation	300,000	
Smith Richardson Fnd	114,378	
American Federation of Teachers	2,250	
Communication Workers of America	500	
TOTAL		417, 128

FY 1998-1999

Bradley Foundation	300,000	
A. Shanker Institute	50,000	
UNITE	5,000	
J.A. Beirne Memorial Fund	25, 000	
B. Usery Foundation	8,000	
TOTAL		388,000

FDE

Foundation for Democratic Education

996654

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

December 19, 2001

Mr. Daniel P. Schmidt
Executive Vice President
The Lynde and Harry Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202

Dear Mr. Schmidt,

On behalf of the Board of Directors of the Foundation for Democratic Education I want to thank you for the Lynde and Harry Bradley Foundation's check of \$140,000 for our "Toward a New Unionism Network" project which we received today.

We will keep you apprised of our work as it progresses. Again, thank you for your generous support of our program.

Sincerely,



Victoria Thomas
Treasurer

FDE

Foundation for
Democratic
Education

MISC
March 15, 2001

Mr. William Schambra
The Lynde and Harry Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202

Dear Mr. Schambra,

Several things of interest.

The first, is Penn Kemble's schedule in Europe. This is leading up to our conference at the end of May when we will bring moderate trade unionists from Europe together with American leaders who are looking for a more reasonable path than the one featured by the AFL-CIO.

Enclosed is a recent article from the New York Times on John Sweeney's complaints about affiliates failure to organize.

Also attached is a copy of a letter from the union PACE to John Sweeney. This is a union that had been a big supporter. A second letter from Sweeney to the President of the Carpenters is part of a battle with a major affiliate which disagrees with the direction of the AFL-CIO. There has also been a recent letter from CWA to Sweeney with complaints. (We don't have a copy of that one.) I would appreciate your keeping copies of these letters for your use only.

The defeats on both the organizing and political fronts offer some new opportunities to start a discussion within the labor movement.

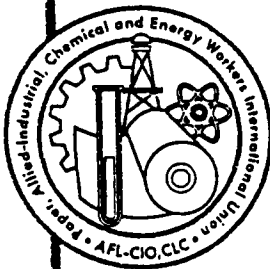
Best wishes.

Sincerely,



Richard Wilson

815 15th Street, NW,
Suite 506
Washington, DC 20005
Tel: 202-347-2348
Fax: 202-347-2531



PACE

March 1, 2001

**Paper,
Allied-Industrial,
Chemical &
Energy Workers
International
Union**
AFL-CIO, CLC

John Sweeney, President
AFL-CIO
815 16th Street, NW
Washington, DC 20006-4104

Boyd Young
International President

Re: New York Times Article - "Labor Leader Sounds Do-or-Die Warning"

Dear John:

We have had an opportunity to review the above-captioned article and have spent a great deal of time trying to conceive why PACE was singled out as doing "hardly any organizing" when we were even with or above several unions in our organizing efforts. We are also at a loss on why the organizing information discussed behind closed doors at our Executive Council Meeting and in the Organizing Committee meeting was presented to the general public.

After much consideration, we do not have a satisfactory answer to either issue. This article put PACE in a very bad light and could adversely affect our organizing efforts. PACE was one of the several unions in the 10% category of organizing goals set by the AFL-CIO itself, yet that was not reported. PACE was even with or above several other unions in the organizing arena last year, yet that was not reported. We can only conclude this was not reported because someone wanted to intentionally slant the perspective to either embarrass particular affiliates, including PACE, or to over dramatize the success of other unions as compared to unions such as PACE. This had to be accomplished by other union leaders in the room, or their staff, or the Federation's staff.

In our opinion, however, no union should have been singled out and the information should not have been reported. We are appalled that such specific information was leaked out to the New York Times on the labor movement's failure to organize as a whole. This information will only provide fodder for anti-union companies to use during organizing drives against the entire Federation. They will argue that the labor movement is a dinosaur incapable of managing ourselves let alone our prospective members' interests.

PACE is not organizing at the level we need to be organizing at. The article is accurate to that extent. But many other unions are not at the level they need to be at either. We need to address this issue internally as a movement, not air our dirty laundry to the public and the corporations we stand up against everyday. We will not succeed by taking veiled shots at each other in the media.

P.O. Box 1475
Nashville,
Tennessee 37202

phone:
615.834.8590

fax:
615.834.7741



Page Two
Sweeney
March 1, 2001

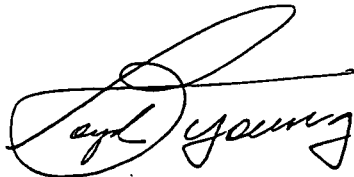
The organizing remarks also failed to recognize a fundamental issue with organizing in the manufacturing sector, and that is that trade and regulatory mandates in PACE's primary industries, oil, chemical and paper have caused us to lose members at an unprecedented rate. These losses must be factored into our net gains on the organizing front. We need the Federation's support and assistance on trade and other issues if we are to succeed.

John, we have wholeheartedly supported your efforts to restore our movement through organizing. We gave you every person available last fall and made every contribution we could make to our Labor 2000 efforts, including financial contributions. In fact, PACE was one of the few unions that paid the \$1 per member per year commitment towards Labor 2000. In short, we have supported every function of the Federation that you and the other Executive Officers have asked us to support.

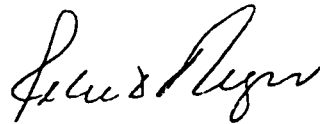
Due to this development, we do not want PACE information used in any Federation press releases or media discussions. If we cannot be given assurances that steps will be taken to this end then we simply will not furnish information to the Federation on our operations.

With best regards, we remain

Fraternally,



Boyd Young
International President



Robert E. Wages
Executive Vice President

cc: AFL-CIO Executive Council
PACE Executive Board
Executive Assistants

- > Published on Monday, February 19, 2001 in the New York Times
- >
- > Labor Leader Sounds Do-or-Die Warning
- >
- > by Steven Greenhouse
- >
- > LOS ANGELES - John J. Sweeney, the president of the A.F.L.- C.I.O.,
- > gave an unusual do-or-die warning at a meeting of labor leaders here,
- > telling them that unless unions did far more to increase their ranks,
- > organized labor could drift into irrelevance.
- >
- > Union membership slipped last year, and Mr. Sweeney is so concerned
- > that unions are not doing more organizing that he has called a
- > special meeting of union presidents for next month to press them to
- > redouble their recruitment efforts.
- >
- > During his five years at labor's helm, Mr. Sweeney has made
- > increasing union membership his No. 1 goal. But he voiced frustration
- > that unions were organizing only about one-third of the one million
- > workers he said should be organized each year to restore labor's
- > might.
- >
- > One A.F.L.-C.I.O. official quoted Mr. Sweeney as telling the nation's
- > union leaders at a closed-door meeting here, "Not only are the
- > numbers totally unsatisfactory, but if we don't begin to turn this
- > around quickly and almost immediately, the drift in the other
- > direction is going to make it virtually impossible to continue to
- > exist as a viable institution and to have any impact on the issues we
- > care about."
- >
- > The percentage of American workers belonging to unions fell to 13.5
- > percent from 13.9 percent last year. That is the lowest level since
- > the number of unionized workers peaked at 35 percent in the 1950's.
- > Even though more than 16 million jobs have been created since 1992,
- > the Bureau of Labor Statistics found that the number of union members
- > nationwide has slipped by 200,000 since then, to 16.2 million.
- >
- > An ever-larger part of union organizing is in government and in the
- > service sector, including hotels and nursing homes. In contrast,
- > organizing has been sluggish in the manufacturing sector, partly
- > because of the fear that companies might close operations if they are
- > unionized.
- >
- > Labor leaders expressed concern that just 10 of the federation's 66
- > member unions were doing about 80 percent of the organizing, while
- > many unions continued to do little to attract more members.
- >
- > "We have a very uneven situation in terms of unions that are
- > committing serious resources to organizing, and therefore the numbers
- > end up being completely unsatisfactory," said Mark Splain, the
- > federation's organizing director.
- >
- > Several union leaders at the meeting disclosed the closely kept
- > statistics detailing how many workers various unions told the
- > A.F.L.-C.I.O. they had organized last year.
- >

- > The Service Employees International Union ranked first, reporting
- > that it had organized 70,000 workers last year. In a virtual tie for
- > second, the United Food and Commercial Workers and the International
- > Brotherhood of Electrical Workers said they had each organized about
- > 50,000. Far smaller unions, including those representing painters,
- > roofers and hotel employees, won praise for doing a lot of organizing
- > in proportion to their size.
- >
- > The International Brotherhood of Teamsters, like the service
- > employees union, has about 1.4 million members, but the Teamsters
- > organized only 22,000 workers last year, less than one-third of what
- > the service employees reported. Union leaders said the Paper,
- > Allied-Industrial, Chemical and Energy Workers Union, with 275,000
- > members, reported hardly any organizing.
- >
- > And three powerful manufacturing unions, which led the way in
- > organizing decades ago, are now doing only a modest amount. The
- > United Auto Workers reported organizing 22,000 workers last year, the
- > United Steelworkers of America about 15,000 and the International
- > Association of Machinists nearly 10,000.
- >
- > Kate Bronfenbrenner, research director at Cornell University's school
- > of labor relations, said some industrial unions appeared to have
- > grown discouraged about organizing because so many manufacturers move
- > operations overseas, or threaten to move them, if they become
- > unionized. She conducted a survey that found that managers at 70
- > percent of factories involved in organizing drives threaten to close
- > if workers decide to unionize. Workers often say such threats
- > discourage them from voting to join a union.
- >
- > Leo Gerard, the steelworkers' newly named president, said he saw a
- > simple explanation for why it was easier to organize workers in
- > government offices, hospitals and hotels than in factories.
- >
- > "You can't threaten to move the public sector out of Ohio," Mr.
- > Gerard said. "You can't threaten to move a hospital or nursing home
- > to Mexico or China."
- >
- > Mr. Gerard said the main reason unions were not organizing hundreds
- > of thousands more workers each year was the intense anti-union
- > campaigns run by employers. But business executives say more people
- > are not joining unions because many workers see unions as irrelevant
- > and unnecessary and union dues as too expensive.
- >
- > When Mr. Sweeney became the A.F.L.-C.I.O.'s president in 1995, unions
- > were organizing fewer than 100,000 workers a year. Thanks in part to
- > his prodding, they reported organizing 350,000 workers last year, an
- > increase that Mr. Sweeney said was good but not nearly enough.
- >
- > The Bureau of Labor Statistics reported that on a net basis unions
- > lost 200,000 members last year, partly because of layoffs,
- > retirements and factory closings.
- >
- > Several officials of the labor federation said they were convinced
- > that some labor leaders, eager to impress, give artificially high
- > numbers when they report how many workers their unions organize each
- > year.
- >
- > Many labor experts say Mr. Sweeney has not been more successful in
- > persuading unions to increase their organizing efforts largely
- > because the A.F.L.-C.I.O. is a loose federation and its president has
- > little sway over member unions. The individual unions, and not the
- > federation, do the organizing, although the federation is seeking to
- > serve as a catalyst.
- >
- > In contrast to the organizing situation, Mr. Sweeney has had major
- > success in persuading unions to do more on the political front.
- >

> "The American labor movement in terms of political operations and
> political juice has showed its stuff," said Mr. Splain, the
> organizing director. "The issue is, is there a way for the labor
> movement to duplicate that type of success in organizing?"
>
> Andrew Stern, the service employees' president, said his union was
> growing at the fastest rate partly because it spent so much on
> organizing - about \$100 million a year, or nearly half the union's
> annual budget. He said it cost on average about \$1,000 to organize
> each worker.
>
> The hope among many union leaders is that if other unions with more
> than a million members could match the service employees in
> organizing 70,000 a year, the labor movement could begin to approach
> Mr. Sweeney's goal of organizing 700,000 to a million new members a
> year.
>
> "I see that some unions are organizing more aggressively," Mr.
> Sweeney said. "We have to really try to build on that momentum."
>
> Copyright 2001 The New York Times Company



The Lynde and Harry
BRADLEY FOUNDATION

The Lion House ☉ Post Office Box 510860 ☉ Milwaukee, Wisconsin 53203-0153
(414) 291-9915 ☉ Fax (414) 291-9991

Daniel P. Schmidt, Executive Vice President
& Chief Operating Officer

December 16, 2002

Mr. Richard Wilson
President
Foundation for Democratic Education, Inc.
1925 K Street, NW
Suite 401
Washington, DC 20006

Dear Mr. Wilson:

Enclosed is the Foundation's check payable to the Foundation for Democratic Education, Inc. in the amount of \$140,000. This \$140,000 grant was awarded by our Board of Directors to support the domestic component of the *Toward a New Unionism Network* project.

Please be sure the check is properly endorsed before cashing it. Our bank, Northern Trust, prefers a stamped endorsement or an endorsement that is guaranteed by your bank before completing the transaction.

The Foundation directors are pleased to be able to support your work and wish you every success in your endeavors. Please provide periodic reports accounting for the funds which were expended for the grant.

Sincerely,

Daniel P. Schmidt

DPS/ye

Enclosure: Check #7570

ID #996654

FDE

Foundation for Democratic Education

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

November 18, 2002

Mr. Daniel P. Schmidt
Executive Vice President
The Lynde and Harry Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202

Dear Mr. Schmidt,

On behalf of the Board of Directors of the Foundation for Democratic Education, Inc. (FDE) I want to thank you and The Lynde and Harry Bradley Foundation for your generous support of our "Toward a New Unionism Network" project (Grant ID 996654).

I have enclosed your signed copy of the grant contract.

Please let me know if you need anything else.

Sincerely,



Victoria Thomas
Treasurer

Encl.

THE LYNDE & HARRY BRADLEY FOUNDATION, INC.
1241 NORTH FRANKLIN PLACE
P.O. BOX 510860
MILWAUKEE, WI 53203-0153
Voice: 414-291-9915
Fax: 414-291-9991
GRANT AGREEMENT
ID# 996654

Entered in PCG

PLEASE READ CAREFULLY

Upon application by Foundation for Democratic Education, Inc. (hereinafter "Grantee") to The Lynde & Harry Bradley Foundation, (hereinafter "Grantor"), Grantor agrees to make the following Grant, and Grantee agrees to accept such Grant, in accordance with the terms below and subject to the additional conditions set forth in Paragraph 11:

DATE AUTHORIZED: November 12, 2002
AMOUNT OF GRANT: \$140,000
DURATION OF GRANT: One year from date of first payment
REPORT SCHEDULE: Semi-annual

SPECIFIC PURPOSES OF THE GRANT

The purpose of this grant of \$140,000 is to support the domestic component of the "Toward a New Unionism Network" project.

GENERAL CONDITIONS OF THE GRANT

1. PURPOSE: The Grantee agrees to use the funds solely for the described purposes and to so designate them in the Grantee's records as well as not to use any of the funds in violation of the provisions of the Internal Revenue Code governing grantees of private foundations. To alter disbursement of funds from an approved budget, permission is required from an officer of the Grantor. (See paragraph 9.)
2. FUNDRAISING: No funds awarded through this grant are to be shared with or used to pay fees or wages for the services of fundraising or consulting firms.
3. EVALUATION: The Grantor may, at its expense, conduct an evaluation of operations under this grant, which may include visits by representatives of the Grantor to observe the Grantee's program procedures and operations and discuss the program with the Grantee's personnel.
4. ACCOUNTING AND FINANCIAL REVIEW: A complete and accurate record of the funds received and expenses incurred under this grant must be maintained by the Grantee and submitted to the grantor at the end of the grant period. The Grantor may, at its expense and on reasonable notice to the Grantee, audit or have audited the records of the Grantee insofar as they relate to the activities funded by this grant.
5. TAX EXEMPTION AND FOUNDATION STATUS: The Grantee shall immediately give written notice to the Grantor if, prior to receipt of all or any portion of the grant, or before all or any portion of the funds are expended, the Grantee ceases to be exempt from Federal income taxes under the provisions of Section 501(c) (3) or Section 115 of the Internal Revenue Code or becomes a private foundation under Section 509(a) of the Code.

In particular, but not by way of limitation, the Grantee agrees that no portion of any grant by the Grantor shall be used to carry on propaganda, or otherwise to attempt to influence legislation, including any referendum, or to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office. If the Grantee is authorized by the terms of the grant to use the funds for "nonpartisan analysis, study or research," which may legitimately be undertaken by the Grantee, the Grantee agrees to engage in such activities in strict compliance with all Treasury and IRS regulations which provide that such analysis, study or

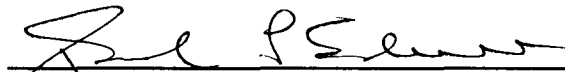
research must be made available to the general public or a segment of members thereof (or to governmental bodies, officials or employees) and may advocate a viewpoint but (a) must reflect objectivity, a full and fair exposition of the facts (including presenting information about both sides and any factual support for contrary views) and lack of unsupported opinion and (b) may not encourage the recipient to take action with respect to legislation (including any referendum) or be directed solely to persons who are interested only in one side of an issue. Grantee also represents to the Grantor that, in addition to the above prohibitions on the use of grant funds hereunder, no substantial part of its activities is or will be attempting to influence legislation (including any referendum) within the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code of 1986, as amended.

6. ADDITIONAL SUPPORT: By making this grant, the Grantor assumes no obligation to provide other or additional support for the Grantee. This grant is not to be construed as establishing a precedent for further support of the Grantee.
7. REPORTING: The Grantee shall furnish to the Grantor a written report on the use of the grant either semi-annually or on some other schedule as specified in Special Conditions (see Paragraph 11). This report should furnish an appraisal of the program results under the grant for the reporting period.
8. PUBLICITY: In the event that the Grantee wishes to issue a news release concerning the grant, the Grantee will inform the Grantor in a timely fashion prior to its release and clear it with an officer of the Grantor.
9. REVERSION OF GRANT: All or any portion of the amount granted shall be returned to the Grantor in the event that any or all of the grant is not expended or committed for the purposes authorized by the Grantor. The Grantor may upon request from the Grantee authorize a modification in the disbursement of funds.
10. PUBLICATIONS: In the event that a project funded by the Grantor would naturally issue in publications, the Grantee expects publication to occur. In the event of special requirements concerning publication, these will be enumerated under Paragraph 11 -- Special Conditions.
11. SPECIAL CONDITIONS: The Grantee accepts and agrees to comply with the following Special Conditions: None

Executed by or on behalf of Grantor and Grantee as follows:

GRANTOR: The Lynde and Harry Bradley Foundation, Inc.
1241 North Franklin Place
P.O. Box 510860
Milwaukee, WI 53203-0153

BY: Daniel P. Schmidt


Signature

TITLE: Executive Vice President

DATE: November 12, 2002

GRANTEE: Foundation for Democratic Education, Inc.
1925 K Street, NW
Suite 401
Washington, DC 20006

BY:

Richard C. Wilson
Name of Signatory


Signature

TITLE OF AUTHORIZED OFFICER:

Director

DATE:

November 18, 2002



The Lynde and Harry
BRADLEY FOUNDATION

The Lion House α Post Office Box 510860 α Milwaukee, Wisconsin 53203-0153
(414) 291-9915 α Fax (414) 291-9991

November 13, 2002 .

Mr. Richard Wilson
President
Foundation for Democratic Education, Inc.
1925 K Street, NW
Suite 401
Washington, DC 20006

Dear Mr. Wilson:

I am pleased to inform you that the Board of Directors of the Lynde and Harry Bradley Foundation, Inc. (Foundation) has awarded a grant of \$140,000 to the Foundation for Democratic Education, Inc.

It is understood that these funds will support the domestic component of the "Toward a New Unionism Network" project.

The payment of this grant is subject to your agreement to the terms specified in the enclosed grant contract. Please sign and return one copy to the Foundation. The grant has been scheduled for payment as follows:

<u>Date</u>	<u>Amount</u>
12/15/2002	\$140,000

The Foundation reserves the right to change the payment schedule. Changes, if any, would be communicated to you promptly.

We are happy to be able to support your work and look forward to keeping closely in touch with your progress.

With best wishes,

Daniel P. Schmidt
Executive Vice President

DPS/ye

Enclosure

Grant ID #996654

The Lynde and Harry Bradley Foundation, Inc.
Grantee Tax Exempt Status Information

I. **Organization Data:**

Applicant Organization: Foundation for Democratic Education Inc Employer ID #: 52-1175094
Payee Organization: _____ Employer ID #: _____
(If different)

II. **Tax Exempt Status of PAYEE Organization:**

- A. • Is payee organization tax exempt under:
Section 501(c)(3) ☒ Section 501(c)(1) _____ Section 115 _____ Yes ☒ No _____
• IRS tax exempt determination letter attached Yes _____ No ☒
• Referring to your IRS determination letter, check all items that apply to your organization:

Section 509(a)(1) 170(b)(1)(A):	Section 509(a)(2) (See Item B)	_____	Political subdivision Section 170(c)(1)	_____
(i) Church _____	Section 509(a)(3)	_____	Government Instrumentality	_____
(ii) School _____	Section 509(a)(4)	_____	Local Chapter or Religious Organization Under Group Ruling	_____
(iii) Hospital _____	"Not a 509(a)"	_____	Private Foundation:	_____
(iv) College or University Support Organ. _____	Non-U.S. Organization	_____	Grantmaking	_____
(v) Governmental Unit _____			Operating	_____
<input checked="" type="checkbox"/> (vi) Publicly Supported Organization (See Item B)				

Other (explain), and if uncertain, attach copy of Form 990, page 1, and Schedule A _____

- If payee organization is covered under a group ruling, are the group ruling letter and letter from the umbrella organization indicating your organization's affiliation attached? NA _____ Yes _____ No _____
• Explain "No" answers: _____

B. **Public Support Status** [Please complete only if organization is classified as a 509(a)(1)-170(b)(1)(a)(vi) (Publicly Supported Organization), OR 509(a)(2) organization.]

- Does the tax exempt determination letter attached under item A above indicate public support status is granted for an advance ruling period? Yes ☒ No _____
If yes, advance ruling period expires: 2/15/85 And, if the advance ruling period has expired, attach a copy of IRS letter granting public support status for periods after the expiration of the advance ruling period. (already sent)
• Did payee organization have a substantial and material change in the organization's sources of support in the current tax year and four immediately preceding taxable years that could result in the loss of the organization's public support status under Sections 170(b)(1)(A)(vi) or 509(a)(2)? Yes _____ No ☒
• Will the requested grant and any other grants received from the Bradley Foundation during the current taxable year exceed 25 percent of the aggregate support received by the organization from all sources other than the Bradley Foundation during the four taxable years immediately preceding the current taxable year? Yes ☒ No _____

III. **Conflict of Interest:**

Please list any names of the applicant &/or payee organization's board of directors, management or employees which hold similar positions or are affiliated with the Lynde and Harry Bradley Foundation.

IV. **Purpose of Grant:**

Bradley ID # 996654

- Will the proceeds of the requested grant be used exclusively for religious, charitable, scientific, literary or educational purposes? Yes ☒ No ☒
• Will any of the requested grant funds be used to carry out propaganda or attempt to influence legislation, to influence the outcome of any election, to carry on any voter registration drive or invest in a commercial venture? Yes _____ No ☒

x Victoria Thomas Victoria Thomas Treasurer 9-27-02
(Signature) (Print Name) (Title) (Date)

FDE

Foundation for Democratic Education

September 27, 2002

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

Ms. Yvonne Engel
Program Administrator
The Lynde and Harry Bradley Foundation
The Lion House
P.O. Box 510860
Milwaukee, WI 53203-0153

ID#: 996654


Dear Ms. Engel,

In response to your letter of September 16, I am enclosing a completed copy of your Grantee Tax Exempt Status Information form. I also enclose a list of our other sources of income.

Please let me know if you need any further information.

Please note that we have moved our offices. Our new address is 1925 K Street, NW, Suite 401, Washington, DC 20006.

Sincerely,


Victoria Thomas
Treasurer

Encl.

MIAN SOURCES OF INCOME
1994 to 2002

Albert Shanker Institute

American Federation of Teachers

Bradley Foundation

Communication Workers of America

ILGWU Heritage Fund

JA Beirne Memorial Fund

National Endowment for Democracy

Smith Richardson Foundation

UNITE

Westminster Foundation

William Usery Foundation

FDE

Foundation for Democratic Education

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

ENTD SEP 16 2002

September 13, 2002

Mr. William Schambra
The Lynde and Harry Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202

Dear Mr. Schambra:

Enclosed is our request for a continuing grant from the Lynde and Harry Bradley Foundation for the domestic component of our joint project with Freedom House on labor issues, which this year we have titled "Toward a New Unionism Network."

Please let us know if you have questions or need additional materials.

Sincerely,



Richard Wilson
Director

FDE

Foundation for Democratic Education

1925 K St, NW, Suite 401, Washington, D.C. 20006
Tel: 202-347-2348; Fax: 202-347-2531
e-mail: postmaster@newecon.org

The Foundation for Democratic Education

in cooperation with Freedom House

TOWARD A “NEW UNIONISM” NETWORK

Part I: Domestic

Submitted to
The Lynde and Harry Bradley Foundation

September 2002

Contacts: -
Richard Wilson or Victoria Thomas
202-347-2348

PROPOSAL

TOWARD A "NEW UNIONISM" NETWORK

Part I: Domestic

**Submitted to
The Lynde and Harry Bradley Foundation
From The Foundation for Democratic Education**

September 2002

Background and Strategy

[Note: This proposal describes the domestic component of a cooperative project being conducted by Freedom House and the Foundation for Democratic Education that seeks to engage the American labor movement with new thinking about critical issues. The international component of this project is being implemented by Freedom House. The rationale for the two projects is in many respects the same, although the activities each organization undertakes in the implementation will be different.]

During the past year our work in developing positive ideas for American unionism and a network of leaders and activists that is engaged with these ideas has moved forward in some very significant ways. We expect that the American labor movement will soon find itself faced with some profound choices with respect to international affairs, domestic politics and cultural values. It would be presumptuous to suggest that we will have a direct or leading role in deciding the course that labor takes. But it would be equally mistaken to suggest that these efforts will be unimportant.

Nearly eight years ago a new leadership took the helm of the AFL-CIO, earnestly asserting that it would restore labor to the levels of membership and influence that it enjoyed during the heydays of the 1950s and 1960s. This group, which styled itself "New Voice," was composed of a curious mix of elements. Some were traditional union leaders who had grown increasingly frustrated about thinning membership rolls and stalemate in the political and legislative arenas. Others were figures from what Europeans call the "1968ers," graduates of the student and activist movements of that era who eventually found their ways into the labor movement as other habitats went dry.

This somewhat unlikely marriage enjoyed a relatively long honeymoon. Many in the media and in academia shared certain of its values and experiences. Its style and rhetoric also fit presuppositions many conservatives and corporate leaders have about labor. The worried respect given by this side of the political spectrum helped "New Voice" sustain its credibility.

Talk of resurgence in labor's vitality went on more or less unchallenged for more than seven years after the new leadership took office in 1995. But ever so slowly a reality emerged from behind the vapors generated by the wishful thinking of the left and the habitual reflexes of the right. The new AFL-CIO leadership, despite persistent invocations of the freshness and novelty of its thinking, was in truth deeply wedded to old ideas. Its strategy for reviving the movement consisted of doing what had been done before, only doing it with greater fervor and more money. Organizing efforts were directed toward traditional groups, despite evidence that globalization and technological innovation were making these groups' jobs more vulnerable. On the political front, labor threw itself into the Gore campaign, and was able to recast the campaign in a more populist mold. A wholly new staff was brought into the AFL-CIO to direct foreign affairs operations, and soon aligned the AFL-CIO with the protest movement against globalization, the transnational corporations and the international financial institutions.

But the old ideas have not brought success, even when pursued with greater zeal. While labor's image underwent a makeover, the practical condition of the movement has seen no measurable improvement, and has even suffered notable setbacks. Union membership continued to decline, in spite of the resources thrown into organizing campaigns by the new leadership. The Gore campaign lost, provoking many influential Democrats to question the direction labor urged upon it. A second political defeat, of less importance to the nation but of great significance within the labor movement itself, was that of Antonio Villaraigosa, a mayoral candidate in Los Angeles. A candidate in the "Rainbow Coalition" mode favored by some in the Democratic Party, he was soundly defeated by moderate and black Angelenos despite heavy-handed backing from the national AFL-CIO.

Then came the terrorist attacks on September 11. These split the anti-globalization movement, eliciting anti-Americanism and convoluted explanations in some quarters, but patriotism and contempt from most workers, including the minority groups ardently cultivated by the American Left. A final blow came in the summer of 2002: despite great public agitation over high-stakes corporate misconduct, the AFL-CIO was defeated on its major legislative objective, and President Bush was given fast-track authority to negotiate a hemispheric trade pact.

These failures engendered considerable stress within the AFL-CIO itself, stress that began to become evident last year, but is only now being acknowledged outside the labor community. Douglas McCarron of the Carpenters Union read the signs early, and simply withdrew his union from the Federation. Then, together with a varied group of unions that included not only the Teamsters and other building trades unions but the radical Mineworkers and the often militant maritime trades, McCarron orchestrated union support for oil drilling in the Arctic National Wildlife Refuge and other undertakings by the Bush Administration. Many press accounts left the impression that McCarron, a colorful figure, was simply indulging a personal annoyance with the Federation's Sweeney, or was opportunistically grasping for favors from the Republicans. But a more serious explanation is that McCarron has recognized that AFL-CIO's "New Voice" has turned down a dead end road, and decided to take his union off the bus.

In the coming year tensions in the labor movement are likely to grow as the choices it faces become even more pressing and difficult. Unemployment at the low end of the economy is up, making it

more difficult to organize the kinds of workers considered the best prospects by the current AFL-CIO leadership. Raging against corporate misconduct may in some respects be intellectually justifiable and bring cheers from those with ideological nostalgias, but will not in itself be much help in recruiting new union members. Although labor now wraps itself in the flag of the uniformed services and construction trades, most of its international affairs staff do not come from realms that share the values of hard-hat America.

These deficiencies are likely to cause ever more severe problems for the current AFL-CIO leadership in the course of developments that loom ahead. The most promising path out of our present economic difficulties seems to lie in stability, greater cooperation between business and labor, growing productivity and improved international competitiveness. A labor strategy that is focused on mobilizing low-paid workers through often-confrontational tactics may simply deepen divisions between those workers and other sectors of the population. Similarly in politics: a populism that stirs resentment and advocates greater taxation and spending while disregarding public concerns about the premises of many social programs and the discipline with which they are managed does not seem promising. Finally, the mounting challenges of the war on terrorism and the threat posed by Iraq are likely to make unfocused complaints about globalization and technological change seem whiney and unhelpful.

The labor movement prospered during WW II and the Cold War in no small part because it was seen as a force contributing to the reconstruction of a depression-wracked society at home and to meeting the threats to democracy from abroad. Its appeal to workers was not based on in the main on envy and grievance but on the premise that trade unionism could contribute to the civic and economic welfare of society as a whole, even as it improved the circumstances of its own members. This, to purloin a cliché, might be called the power of positive unionism. This temper is not much in evidence in the labor movement today. American workers do have needs that can be served by independent, vigorous and politically active unions. But the spirit and direction that currently prevail in the labor movement are not likely to foster such unions.

Some may ask -- so what? Why worry about a negative, antagonistic unionism that is also weak and unattractive to many workers? The answer is that today a negative unionism that is relatively weak and isolated can nevertheless create grave difficulties, and frustrate the potential of our society and economy in important ways.

Globalization and technological change surely do present challenges to America's workers. Those being displaced by change must be encouraged and helped to find decent and dignified work in other sectors. The labor movement can either contribute to this outcome or obstruct it. If it turns toward obstruction, even a labor movement weaker than the present one will in all likelihood retain the capacity to cause difficulties in our closely divided political system, to our precarious economic recovery, and to the dangerous and protracted struggle against foreign adversaries that evidently lies ahead.

On the other hand, there are many ways in which a constructive labor movement could contribute to economic recovery, civic cohesion and a successful foreign policy. As several authors argue in our recent volume of essays [See Appendix 1], unions can make a distinctive and valuable contribution to building up the skills and educational attainments of our workforce -- which suffer

from a legacy of failure in our schools and the culture wars of past decades. As the reconstruction of the Pentagon and the work of clearing the World Trade Center site showed, there is an *esprit de corps* in the construction trades and among police, fire and emergency workers that can be tapped for the benefit of our larger economy. Perhaps most importantly, the culture of grievance and victimhood that has afflicted us for decades has a deeply demoralizing effect on many citizens, especially the young and poor. While much is made of the decline of the labor movement, it remains a huge array of institutions, with roots in many of the communities least accessible to our nation's elites. If this network can be inspired to contribute its potential to a push for economic renewal, civic community and success in our conflicts abroad, our prospects for coming years will be considerably improved.

The Domestic Context: Fall, 2002

When President John Sweeney took the helm of the AFL-CIO in 1995 the Department of Communications quickly became the war room of the grand building on Washington's 16th Street. But over the past year even an extremely capable public relations staff has not possessed the magic to hide a list of disappointments. The annual Labor Day 2002 review of the House of Labor in most of our major media was a story about frustrations and divisions.

Even a once-effusively pro-Sweeney labor writer like The New Republic's John Judis has had to concede that, despite proclamations that "New Voice" would reverse the trend, union membership has declined "at an even faster rate than it did during Kirkland's last five years...." Legislative defeats on trade negotiating authority and ANWAR oil drilling made the narrow victory by Democrats in reclaiming the Senate ring hollow for labor. Signs point to an unpleasant battle among Democrats for the 2004 Presidential nomination, and there is considerable reluctance among party leaders about a re-play of the labor/populist strategy that Vice President Gore eventually adopted for his 2000 campaign. The half-million-strong Carpenters' Union has taken its dues and walked out of the AFL-CIO, and the Teamsters, the transportation unions and many other building trades unions are also breaking away from the labor unity long cultivated by George Meany and Lane Kirkland. The national mood shift after September 11 stalemated those who had hoped to align the AFL-CIO with those abroad who see the activities of U.S. corporations and financiers as the main reason there is unhappiness in the world.

But the unraveling of brave new plans many in the staff and leadership at the AFL-CIO once nurtured does not automatically presage labor's return to good health. The precarious state of our economy, the uncertain balance in our domestic politics, and the volatile international situation all allow for many possibilities. Only one thing seems reasonably certain: unless an effort is made to develop new ideas about a sound course for American labor, and a network of support for such a course within the labor movement itself, there will be little improvement, and matters could get considerably worse. Although labor no longer enjoys the influence it once had, no one should underestimate the harm that can be done if this huge institutional array becomes truly rowdy.

During the year ahead The Foundation for Democratic Education and the New Economy Information service will use the credibility we have established, the network of contacts we have developed, and the tools we have created to advance what we have described as "positive unionism." During the dark days of defeatism in intellectual circles about American foreign policy,

the writer Midge Decter devoted herself to organizing a small group of writers and activists called "The Committee for the Free World." When challenged by skeptics about what practical impact the group might have, she answered, "We accomplish something just by existing." We too believe that at this moment the visible presence of our project, however modest in size and financing, presents an alternative perspective on what unionism can be and is in itself a valuable thing.

But we also plan a number of activities that will make our existence felt.

Domestic Strategy and Activities, 2003

1) Workforce Development: Helping the Incumbent Worker

For the past two years FDE and the New Economy Information Service have been promoting the role that unions play and could surely play more effectively in helping business and our educational institutions strengthen the skills of the American workforce. Our recent book on the subject is being circulated widely, and we will continue to sponsor forums and publish materials on this broad subject. [See Appendix 1.]

One such forum, held on June 3rd of this year, drew an impressive mix of union representatives and other figures from the workforce development field. There was a strong consensus that labor's work in this field is not given sufficient attention within the labor movement, and that individuals involved in this work held closer ties and better communication among themselves. [See Appendix 4 for conference agenda and list of participants.]

But during the coming year we hope to focus more closely on one aspect of this subject we believe will have particular interest to unions, one that has cultural and political implications we find especially attractive and that already has the support of many in the business world.

As the essay in our book by Dr. Marie-Louise Caravatti explains, government policy and programs offer little support to employed workers whose skills and capacities can profitably be improved. In the main, this is left to business, but businesses may be reluctant to invest in workers whose tenure is uncertain, or who need help in areas that are not immediately beneficial to employers. This is where unions can find a role.

There is considerable polling data to show that many workers feel insecure in their jobs or inadequately trained to advance themselves, and welcome opportunities to improve their skills. Some unions in Britain have developed programs that assist these workers in assessing their skills needs and finding appropriate avenues to improve them. (See the Freedom House International section of this joint proposal to the Bradley Foundation for more on this.) Some unions in the U.S. also have impressive efforts in this area, although these evidently do not stir enthusiasm in some leadership circles in the national labor movement. We believe American unions can prosper by turning greater attention to incumbent worker training, and that there are ways that government, business and educational institutions can encourage unions in this role.

This year we hope to encourage more unions to undertake activities of this kind, and to build the alliances that can make them effective. We will work together with member unions of the AFL-CIO, business and government to develop proposals for how this can best be done.

Work in this area has many potential benefits. One of them is that it turns unions to the needs their present members have in sustaining their jobs, and away from grand designs for restructuring the economy. Another is that it focuses them on union members who at present have jobs, and less on the victims, real or imagined, of an economy in flux. Unions may not really able to do much for the unemployed, and the emphasis that some ideologues give to this group too often ends in romantic debacle. In our view, the practical focus we are encouraging can only make both unions and our economy stronger.

2. Fostering Ferment

In its first years the coalition that brought John Sweeney into the AFL-CIO's Presidency was able to exert a kind of "political correctness" over much of the labor movement. Today this is fast waning. Unions are forming their own groupings and undertaking their own activities outside of the ill-fitting boxes designed for them on 16th Street. Some of these merit attention and support.

Two in particular have and will continue to engage us.

UJAE: One of these is the group that gathered under the leadership of the Carpenters' President Douglas McCarron to support the Bush Administration's proposals to tap the oil reserves of the Arctic National Wildlife Refuge. This group has now formally established itself as "Unions for Jobs and the Environment," under the leadership of our long-time ally Bill Cunningham, former Director of Research at the AFL-CIO. Opponents of UJAE from what fancies itself the "Green/Blue Alliance" (blue for blue collar) charge that the organization is a cat's paw for the energy industry. In truth it is an authentic workers' response to AFL-CIO legislative policies that were being shaped by environmental ideologues rather than union members who need jobs and growth. As a review of the UJAE web site will make clear, despite its opposition to the Kyoto Accords this group has developed careful proposals that address environmental issues quite seriously. They do so from a trade union perspective, however, rather than that of the environmentalists. [See Appendix 5 for UJAE Web-site.]

This year we will work closely with UJAE to gain it wider attention, and to strengthen its support among unions in other sectors.

The Bensinger Group: Richard Bensinger is arguably the most effective trade union organizer in America, yet he was dismissed from his post as Organizing Director of the AFL-CIO soon after the new leadership took over. He quickly established an independent consulting firm that acquired paying clients among a number of unions -- among them Doug McCarron's Carpenters. Bensinger does not talk freely about this experience, but it only takes a quick look at the approach he uses to understand why. He is an exemplar of positive unionism. [See Appendix 5 for Bensinger's book, "Reaching Higher: A Handbook for Union Organizing Committee Members.]"

We have taken the liberty of including with this proposal an example of Richard's work: a training manual for members of the committees that are established to manage organizing drives when a union seeks recognition in a plant or office. We think the contrast this provides to material from the AFL-CIO -- we include one page from a recent copy of the AFL-CIO magazine "America at Work" -- illustrates better than pages of exposition the divergent organizational cultures in the labor movement. [See Appendix 6.]

Bensinger's approach makes unionism a civic and responsible undertaking. In discussing the relationship a union should seek with an employer it urges "support the mission of your employer" -- not simply out of concern for the employer, but because an employers' success benefits the employees. Bensinger recounts that when he tested this pamphlet on workers who had joined organizing committees this chapter by far was regarded as conveying the most important advice. He also noted that it was not always appreciated by staffers sent out from headquarters.

The contrast between the tone and spirit of the Bensinger booklet and the AFL-CIO style requires no comment.

We expect to work with the Bensinger group during the year ahead to broaden its influence and reinforce its message of positive unionism.

3. Widening the Circle

When we first began this project there did not appear to be much point in expending great effort to reach out to a wide audience of trade unionists. The concerns we were addressing would probably have seemed remote and obscure to many. Today it is different. The direction taken by the "NewVoice" leadership has evidently failed to yield success, and there is openness and ferment in much of the labor movement.

We by no means wish to suggest that our efforts can wag the dog of American labor. The movement is too vast and diverse to yield to such influence, as some immigrants from the left are learning. But we can make some alternative values and strategic ideas accessible. We can cast bread upon the waters. This year we want to cast it a bit more widely.

We plan to spend more time in one-on-one and small group conversation with those who may potentially share our outlook. We want to encourage greater willingness on the part of second level leaders to discuss the issues we raise within their unions. We hope to publish some materials that can convey our approach to a wider circle of union leadership. We look forward to working in the background as consultants on a variety of union-sponsored programs, such as this December's conference on organizing professionals being hosted by the AFL-CIO's Department of Professional Employees.

All this must be done with considerable care. Unions are always being targeted by outside groups that want to subvert or influence them, and hence have developed a wholly justified uneasiness about those who come to them with the gift of free advice. We need to find ways to

enable our views and materials to seep through the labor movement, rather than turning on the hose.

But, as noted below, both our e-bulletin and web site are effective. We have begun discussing the possibility of publishing a book similar to our book on workforce development that would describe and evaluate organizing strategies based on "positive unionism" with Richard Bensinger. We will continue to host a variety of public and off-the-record meetings with figures of note. But the most profitable work of all is the regular contact we provide to those who share our views, by e-mail, telephone or face-to-face.

This year we should be able to double the circle of labor activists who know and take interest in our work.

Strengthening our Tools

NEIS Bulletin

The New Economy Information Service, a project of the Foundation for Democratic Education, cooperates with Freedom House to produce an electronic bulletin, the New Economy Information Center Bulletin, that goes out monthly to a list of some 3000 in labor, academia, government and the media.

This mailing list is a most important tool for the dissemination of our ideas and information, and both organizations have made a significant investment in putting it together. We are gratified at the number of people who have contacted us with the request to be added to it.

The E-Bulletin is widely read -- both for its information and analysis and because of our well-established reputations as effective analysts of workforce issues and our perspective on threats to democracy in the labor field.

[See Appendix 2 for copies of NEIS's E-Bulletins.]

Web site

The Foundation for Democratic Education's NEIS web site (www.newecon.org) was recently overhauled to give it sharper focus and to tie it more closely to the electronic bulletin. We believe the web site has great potential for propagating information and tying together those who have interest in our ideas. But if it is to meet expectations it needs to be thoughtfully maintained. We also use materials from Freedom House on international issues, making this an important resource for those in labor and elsewhere who follow debates about globalization, terrorism and workforce development strategies.

[See Appendix 3 for a print-out of the web site's home page.]

Seminars and Meetings

We have been through a variety of meetings and seminars to develop a degree of acceptance in the labor movement, one of the most clannish of American institutions. This allows us to piece together networks of individuals from a range of unions and union-related organizations to collect and share information and to propagate strategies and ideas. This network can be extremely helpful in the debates over workforce development, "positive unionism," globalization and the response to terrorism in the year ahead.

We will need to hold a number face-to-face discussions with participants in this network in the months ahead – sometimes also reimbursing their travel to Washington or New York. This staff-intensive work does not always produce visible evidence of achievement in its early phases. Participants will range from high-level union officers to staff members and interested figures from outside the labor movement. The goal will be to develop a sense that participants are helping to broaden a distinct community of ideas.

About FDE

The Foundation for Democratic Education was established in 1980 with the aim of promoting greater understanding of the importance of democracy in national and international life. Currently, the FDE is engaged in developing the New Economy Information Service (NEIS) which provides information and reviews debate on the impact globalization and technological change has on democracy at home and abroad. Current interest focuses on how American workers can be equipped with the skills they need for decent employment and economic security, and on how the globalization of the economy and the expansion of democracy can strengthen one another. NEIS has sponsored conferences, publications, web sites, and programs aimed at both U.S. and international audiences. [See Appendix 7 for senior staff bio.]

Budget

Staff/Consultants

Richard Wilson (2/3 time)	33,000
Victoria Thomas (3/4 time)	30,000
taxes 7%	4,500
Consultants/writers	14,000

Staff Travel (U.S. & Intl)	4,000
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Program Expenses

Events (Seminars, conferences, meetings)	14,500
Publications (print, electronic, on web site)	12,000

Administration

Rent	16,000
Office supplies	3,000
Computer services/equipment rental	5,000
Telephone	5,000
Postage	4,000
Accounting/Audit	4,000

TOTAL**149,000**





RICHARD WILSON

Richard Wilson is Executive Director of the New Economy Information Service and is on the Board of Directors of the Foundation for Democratic Education. He is former Director of Central and East European Affairs for the Free Trade Union Institute. Prior to that Mr. Wilson was National Director of Organizing and Field Service for the AFL-CIO. He also served as Associate Director of the National Committee on Political Education (COPE), the political arm of the AFL-CIO.

Prior to employment at the AFL-CIO, Mr. Wilson served as: Chief Steward Local 73 at the Office and Professional Employees International Union, Buffalo NY; Research Associate at the International Brotherhood of Pulp, Sulphite and Paper Mill Workers; Research Associate at the Industrial Union Department, AFL-CIO. Mr. Wilson also worked on the education staff of the United Automobile Workers in Detroit and as Education Director and Associate Organizing Director of the American Federation of State, County and Municipal Workers.

Mr. Wilson holds a B.A. from the University of Buffalo, an M.A. in economics from Wayne State University and has done additional work toward a Doctorate in anthropology.



FROM :

FAX NO. :

Apr. 26 2001 01:01PM P2

02-1 5'

SOURCES OF FDE INCOME FY2001-2002

FY 2001-2002

Bradley Foundation \$149,000

A. Shanker Institute \$100,100

ILGWU Heritage Fund \$ 40,000

TOTAL \$289,100



The Lynde and Harry
BRADLEY FOUNDATION

The Lion House ☞ Post Office Box 510860 ☞ Milwaukee, Wisconsin 53203-0153
(414) 291-9915 ☞ Fax (414) 291-9991

September 16, 2002

Mr. Richard Wilson
President
Foundation for Democratic Education, Inc.
815 15th Street, NW
Suite 506
Washington, DC 20005

Dear Mr. Wilson:

Thank you for your recent correspondence and project proposal.
Your request for funding is now under review.

In order to complete our files and satisfy IRS documentation requirements, please complete, sign and return to me the enclosed Grantee Tax Exempt Status form. We have a copy of the IRS determination letter dated 7/15/1985 which classifies Foundation for Democratic Education, Inc. as publicly supported by virtue of its 170(b)(1)(A)(vi) status. Because of this classification, please be sure to complete section II-B of the form. Unless you have a more recent version, there is no need to send another copy of the IRS determination letter.

Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script that reads "Yvonne Engel".

Yvonne Engel
Program Administrator

/ye

Enclosure

Request ID# 996654

JUNE 3 DISCUSSION THEMES AND PROGRAM

10:00 – 10:15am Welcome and Introduction

OVERALL DISCUSSION THEME:

American unions are deeply involved in developing the skills and professional competencies of the workforce, as the papers we have commissioned make evident. Many of them have been for years. Yet both inside and outside labor circles some argue that such involvement in the main consists of discrete, local efforts that parallel “more important” union functions and are therefore not sufficiently perceived by the labor movement itself or by the wider public as a strategic focus for trade unionism. There is also a question as to whether or not sufficient union energies aim to reach professional and technical workers -- new constituencies that might find a union focus on skill development and preparation for respected credentials very appealing.

We will consider whether these are, indeed, fair appraisals of the prevailing attitudes and practices in labor toward both workforce development and toward the constituencies that might make this focus more of a union priority. We will also ask why this might be the case and if it would be useful and appropriate for those active in unions and their allies in the legislative, academic and public policy arenas to promote a more important role for labor in workforce and professional development.

Session I: 10:15 – 12:30

Core Questions:

1. Many unions have substantial workforce and professional development programs. Why are these unknown to many union members and to the general public? Why are they not a part of the labor movement’s public “presence.”
2. Some unions find it difficult to translate the historic role labor has played in workforce and professional development into contemporary activities that strengthen union organization, foster potential labor/management partnerships, attract younger members, make unions into institutions of work-based learning, and enhance their public prestige. Why?
3. What kinds of problems create a disincentive for unions to take up these challenges?
4. What could unions and their supporters do to change this? In other words, what incentives might encourage unions to broaden their interest and devote more energy to working collaboratively with other unions on a skill development agenda?

Some more specific issues we hope participants will address in Session I:

- Where does workforce development stand today among the labor movement’s priorities? Should it be a more central focus for labor (as suggested in the attached speech by Tony

Carnevale at the AFL-CIO's Working for America Conference)? What discourages or prevents unions from making workforce development this kind of a focus?

- To what degree are union-sponsored programs split off from more traditional core union functions and politics? Does this matter?
- What are the attitudes in Congress and the public policy world toward the union role in skills development and incumbent worker training? What is happening with the reauthorization of the Workforce Development Act? Does it matter? Who are the most involved legislators, and has there been any new thinking about these legislative issues?
- What can be said of the argument that workforce development activities create an unproductive drain on union resources?
- What can be learned from some successful regional and national partnerships?

Lunch 12:30 - 1:30pm

Session II 1:30 - 4pm

Practical Issues:

1. Is there a role for an active network of people engaged in skills and professional development issues to support greater union involvement in this work? Toward strengthened connections between this work and other union agendas? Toward increased attention to the contribution labor makes to the ongoing education of its members?
2. Some contend there are two distinct target groups: unskilled workers who need basic literacy and training, and professional and technical workers who seek advanced development and credentials. Are there fundamental differences in the ways these two groups must be addressed? Are there some similarities? What approaches work?

More specific issues for Session II:

- Does the British experience have any relevance here in the U.S.? Could the argument be made here that our economy would be more productive and employers more union-accepting if unions were more fully involved in training the workforce?
- How can partners from business, labor and academic institutions be brought together for more effective collaboration?
- Is it possible to catalyze new partnerships in the area of professional development?
- What could be done to strengthen information-sharing, networking and cooperation among those in labor and other groups who favor a stronger effort in workforce development?

PARTICIPANT LIST FOR JUNE SEMINAR ON UNIONS AND SKILLS DEVELOPMENT

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11. Gittlen, Ike	United Steelworkers Local 1688
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16. Kugler, Phil	American Federation of Teachers
17. Leiken, Sam	Council on Adult and Experiential Learning
18. MacKenzie, John	Professor , Labor Program, UDC
19. Magidson, Herb	American Federation of Teachers
20. Mills, Nancy	Working for America Institute
21. Oates, Jane	Office of Sen. Kennedy
22. Palmer, Tim	University of Florida
23. Serrette, Dennis	Communications Workers of America
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