

"CORRUPTION WITHIN THE LABOR MOVEMENT"
AN ATTEMPT AT DEFINITION THROUGH
ANALYSIS OF APPLICABLE LITERATURE

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ABSTRACT

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By

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Statement of the Problem

An attempt is made to develop a succinct yet all encompassing definition for "Corruption Within the Labor Movement." The attempt is made with the realization that a standardized definition is essential if a concept is to be dealt with most effectively.

Toward this end, attention will be directed toward the isolation of that element which is integral in all acts of labor corruption, toward the identification of the perpetrators of labor corruption, and toward the development of a frame work which provides a means of easily recognizing all acts which meet the requirements of the definition.

Description of Methods, Techniques and Data Used

An analysis of applicable literature was made in order to incorporate, correlate and compare a wide range

of ideas, opinions and research which are related to labor corruption. Initially a review is made of the history and direction of the labor movement within the United States followed by an examination of the relationship of the labor organization as an interest group to the business world and the total society. The works of those reviewed are then examined in order to determine if possibly a common element, inherent in labor corruption, might be isolated.

A comparative review is then made of those actions normally regarded as specific acts of labor corruption. Examples are presented in an effort to depict a continuum from acts which are violent to those which are sophisticatedly subtle.

Means of classifying these acts so that they will be readily identified are then investigated.

Utilizing the results of the prior analysis, an attempt is then made to provide a succinct and utilitarian definition for labor corruption.

Major Findings

Dealing with labor as an interest group among many interest groups in a complex society, it becomes apparent that each group manipulates the element of power as it seeks to have its influence felt within the total society. Manipulation of the power element is normal in all actions of an interest group. When actions carried out by the

labor organization are not in adherence to the goals and rules for which the organization exists, then we may find corruption or specifically, the misuse of power.

The inherent power of the labor organization tends to reside primarily in the hands of those holding leadership positions. Therefore if any action is to be considered as labor corruption, it must emanate from those with authority to wield and manipulate the organization's power.

Acts of labor corruption tend to fall in a continuum with violent acts at one pole and sophisticated collusive acts at the other. In an effort to identify acts of labor corruption as being violent does not correlate to the continuum finding. Utilizing public opinion as a means of classification is an unscientifically unsound approach. Thus it appears that the system of law, (customary and enacted), best satisfies the requirements of stability and non-subjectiveness. The mores of the society tend to be mirrored in customary law and at times they are altered or changed in enacted law.

As a result of the total findings, the following definition is advanced in an effort to further the cause of finding a universally applicable definition for labor corruption.

"Corruption Within the Labor Movement"--the misuse of power or office in any manner which provides illegal

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(as defined by Customary or Enacted law), gain for the union official at the expense primarily of those delegating the power and authority.

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IN DEDICATION TO

PROFESSOR ORDEN C. SMUCKER

who introduced me to and
developed my interest in
that area of sociology
known as criminology

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INTRODUCTION

An attempt will be made, through analysis of applicable literature, to develop a succinct yet all encompassing definition for "corruption within the labor movement." Toward this end, a range of actions which normally are classified as corrupt and not in keeping with legitimately acceptable labor activity will be presented. The goal shall be to determine the sociological concept involved in "corruption within the labor movement" so that a utilitarian definition may be formulated.

It should be noted that the more commonly used term "racketeering" has been substituted by "corruption within the labor movement."¹ It appears from the literature

¹As will be noted in Chapter I, the labor organization finds itself in the midst of a society constituted by interest groups which at times may resort to the most expeditious means to ends. Not always are the means considered by the society as being acceptable actions. However, with such examples abounding, the union system at times may act in the same impetuous manner. Actions defined as "corruption" may not always have an adverse effect. It is not difficult to imagine a situation in which an act of "labor corruption" (accepting a bribe for example) would bring about the end of a crippling strike which has hampered the local community.

However, the aim of this paper is to merely depict power actions which when performed might be defined as corruption. The topic should not be misconstrued as an effort to condemn and moralize or determine the positive or negative effects upon society as a whole by such actions. It is plainly an attempt to recognize and define an existing situation from a sociological viewpoint.

reviewed that the term racketeering too often has a specific connotation for each author. Lester Velie considers the racketeer to be exclusively an extortionist. Although Walter Reckless deals with some subtle varieties of labor corruption, there is often an implication present that racketeering consists mainly of "intimidation, force and terrorism" of the gangland variety. Following the McClellan and Kefauver Committee hearings, there was a tendency by many writers to think of the term racketeering as referring to the more blatant terroristic actions which had been uncovered in the Teamster and waterfront (N.Y.) unions. The dictionary defines racketeering as being "an organized illegal activity such as extorting money by threat or violence from legitimate business."² "Racketeering" will not be used in order to avoid narrow interpretation of the term which may be applied by each reader who has a personal bias as to the proper definition. Certain authors have attempted to use the term racketeering as being all-encompassing. A range from forceful transactions to complex subtle transactions (not within the framework of ethical labor practices) has been incorporated by those authors to define this term. In such cases, the term racketeering is used in a sense similar to the use of the

²American College Dictionary (New York: Random House, 1960).

term, corruption within the labor movement, being advanced within. However, there is enough diversity in the interpretation of the term racketeering so that this new term is hereby advanced to incorporate that conduct within American union organizations which is not in keeping with the ethical and legal standards of acceptable labor movement activity. The term, corruption within the labor movement, should incorporate all of the numerous narrow interpretations given to the term racketeering.

In order to deal with a concept, it is imperative that a standardized definition be developed and universally accepted. It is hoped that the results of this work will be a step toward that goal.

We will be concerned first with an analysis of the labor organization as a Power Group. Secondly, the relationship of the power element to labor corruption will be investigated. Thirdly, the various forms of labor corruption will be considered. The fourth consideration will be to determine which framework best incorporates all forms of labor corruption for the sake of finally defining all forms of such corruption. The fifth segment will consist of an investigation of the relationship of the society's laws to labor corruption.

There will then be an attempt to incorporate those elements considered into a working definition of corruption within the labor movement.

CHAPTER I

THE LABOR ORGANIZATION AS A POWER GROUP

Size and Direction

According to the Handbook of Labor Statistics of 1967 and the Bureau of Labor Statistics report, the union system had approximately 18,325,000 members or 24.2% of the total civilian work population of approximately 75,770,000 in the year of 1966. Recently the labor movement has infiltrated new areas into which it would seldom have ventured prior to the 1950's. The private employee no longer can claim the sole distinction of being classified as a 'unionized man' as he now shares the title with his 'brother' in the public sector. The face of the union man is also a changing thing. Through rather unconventional court battles, supervisory personnel have been granted the privilege of organizing.³ Interesting questions may be raised regarding the direction of one's loyalty when acting as a unionized supervisor.

³In 1968 the Township of Flushing, Michigan challenged the right of several supervisors to unite and be represented by a union organization. In a monumental decision, the Labor Mediation Board of Michigan declared this group to be an appropriate bargaining unit. Since then, many supervisory groups have organized in many Michigan municipalities.

However, this is a new chapter in the history of organized labor and one cannot assay the effects of such a change until it becomes more of a normal reality rather than a current novelty.

In sheer numbers, the membership of labor organizations is an indication of the power potential of organized labor. Along with this element of massive population, the number of areas of influence held by the unions may be considered in declaring organized labor as a power group. As noted previously, some of the areas of influence and some of the goals appear to be changing. Nevertheless, as these innovations take place, the original rank-and-file laboring member tends to remain firmly entrenched in the union organization. Thus the pattern is toward further growth and the development of new goals in addition to older goals rather than the replacement of the old system by a new system.

The Labor Organization as an Interest Group

In an effort to view the labor organization as an integral segment of the American society, we shall call upon Herbert Blumer's thesis of the labor movement as being an 'interest group.' As Blumer states, "an interest group arises whenever individuals become organized or united in pursuit of some actual or imagined common interest and seek to forge in a

recalcitrant world a line of action on behalf of that interest."⁴ A democratic society not only allows the freedom to organize and satisfy one's needs on a group basis, but it also encourages such organizing. In a complex society in which influence and desired status are not easily attained on an individual basis, it becomes apparent that the massing of numbers helps to increase one's influence. Thus the society contains a great number of organized interest groups seeking to satisfy goals and benefit from their power of influence.

The Power Action

As sketched previously in their simplest form, it would appear that interest group's power actions are carried out routinely and uneventfully among a milieu of harmonious groups seeking to satisfy diverse and non-conflicting goals. This is seldom the case.

To follow Blumer's thoughts further, he defines three relationships among persons and groups. The first or codified relations are those in which a rigid code exists which determines the behavior of each party or group involved. As Blumer states, "Such codified relations are to be found wherever stable group relations exist. Concern for them has been particularly the stock

⁴ Herbert Blumer, "Social Structure and Power Conflict," Industrial Conflict, eds. A. Kornhauser, R. Dubin and A. Ross (New York: McGraw-Hill Book Co., Inc., 1954), p. 232.

in trade of sociologists and anthropologists in their preoccupation with customs, traditions, group norms, role relations, and culture."⁵

The second or sympathetic relations are those in which the parties empathize with each other and out of a psychological concern for the other's welfare, they will act accordingly. Conflict is absent in such relationships.

The third or power relations are neither guided by strict predetermined and mutually agreeable codes of behavior or by a sympathetic desire to please. Each party acts from a position of strength. The actions are often guided by the degree of strength which each party has at its command. Conflict is inherent in such relationships because of three characteristics of these encounters;

First, a power relation is marked by an opposition of interests, intentions, and goals. Second, each party uses and relies on its sources of strength instead of being confined to a codified channel of action or guided by sympathetic regard for the other. Third, because of freedom of action, there is elbow room for scheming, maneuvering, the devising of strategy and tactics, and the marshaling and manipulation of resources.⁶

It is not difficult to apply the fundamentals of unionism to the qualifications deemed appropriate for there to be a power action relationship. The goal of acquiring gains for employees, monetary or non-economic concessions, versus the goals of management to advance

⁵Ibid., p. 234.

⁶Ibid.

in monetary profit and to not have its authority and right to manage depleted in any way.

Strike, walk-out, slow-down in production threats are but a few examples of power action possibilities which the union may use as it seeks to satisfy its desired goals. Management may hold back monetary or fringe benefit offerings in its counter proposals to union demands as management seeks to make its own influence felt.

Pressures may be brought to bear through diverse means. The union may appeal to the public for support of its cause, it may operate behind the scenes (out of ear-shot of the formal bargaining table) to reach mutually acceptable compromises with management. Both unions and management enjoy relative freedom of movement and either may solve issues through well-manipulated compromises or may use methods as surprise measures in making felt that power which is being held in reserve.

The Society in Which Labor Exists

In observing the structure and substance of interest groups we note that power struggles ensue in normal everyday proceedings as each group simply seeks to satisfy goals set and accepted by the society. Veering from the 'norm' and the acceptable struggle, we wish to define actions which might be referred to as corrupt actions.

To divorce a power group such as the labor movement from the American society as a whole is to disregard influences, examples and pressures from outside the organization which are possible causes or at least catalysts of corruption within the labor movement.

The society abounds with numerous forms of corruption (so designated by the society) which at certain intervals come to the attention of an incensed public that feels its norms or philosophy of the 'American Way' are being mishandled. However, reforms come and then almost as abruptly, reforms go. Compromises can be made which soothe the conscience of the public. The political compromise in which political actions may be rationalized as expedient or realistic have been with this American system for many years. Therefore, designated morality may be 'bent' if an appropriate rationale is provided. The application by society of what would appear to be unacceptable actions to satisfy acceptable goals attests to the complexity of the total social structure in which the various power groups operate. To quote from Bell:

. . . in no other country have there been such spectacular attempts to curb human appetites and brand them as illicit, and nowhere else such glaring failures. From the start, America was at one and the same time a frontier community where "everything goes" and the fair country of the Blue Laws. The American was "the hunter, cowboy, frontiersman, the soldier, the naval hero"--and in the crowded slums, the gangster. He was a man with a gun acquiring by personal merit what was denied him by complex orderings of stratified society. (Americana) also involved, in the

complex and ever shifting structure of group, class, and ethnic stratification, which is the warp and woof of America's "open" society, such "normal" goals as independence through a business of one's own, and such "moral" aspirations as the desire for social advancement and social prestige.⁷

Taking a cue from the 'Great White Way,' the obvious hero-quality embodied in each Damon Runyon underground character attests to society's often voluted attitude toward those flaunting the stated morality of the society. Little sympathy was extended to the 'dumb cop' (symbol of the keeper of society's norms and rules) in his battle with the organized but charming criminal.

And so the power organizations exist within a society impregnated by contradictions. Thus we have a clue as to the possible reason for the longevity of corruption which the society purports to condemn.

White-Collar Crime

Although the concern of this thesis is not with business, it would be foolhardy to sever labor from the organization and power group which explains the union's existence.

Corruption is not a stranger to the world of big business as noted by the widely accepted term, White-Collar Crime. A somewhat charismatic romance engulfs the world of the big businessman. The late 19th and early

⁷Daniel Bell, The End of Ideology (Clencoe, Illinois: The Free Press, 1960), pp. 116, 117.

20th century found many Americans working ten hour days, six days a week, in the drab factories of the new industrial revolution. Yet these same laborers appeared intrigued by the rags to riches glory possible as depicted by the late Horatio Alger in his novels. With almost a pride of ownership and affection, much of the society read the daily misadventures of the 'nouveau riche' in the society pages. These leaders of industry apparently embodied the American dream. As Allen Churchill notes:

The monopolistic combines wiped out competition, stifled individual enterprise, and roped in profits staggering to the mind. They defied the Government, dictated prices, mocked the public, scorned society and pressed the national economic life into a tight, hopeless mold.

Americans resented and feared the trusts. But they had an ambivalent attitude toward the robber barons who created them. This was the Land of Opportunity, and perhaps the man who had the ability to rise above his fellow man also had the right to exploit him. When railroad builder Collis Huntington died in 1900, he was hailed as the man who had shortened the time it took to cross the continent from six weeks to six days. Few gave a thought to the disparity between Huntington's towering wealth and the bare subsistence wages of those who had laid the track.⁸

As unions began their careers, they were often attacked as being un-American. Somehow much of a public, working under extremely hard conditions, felt that the stereotyped American pride had greater value than a 'subversive' organization which challenged the American way. Even today, management enjoys a more receptive

⁸ Allen Churchill, Remember When (New York: Golden Press, Inc., 1967), p. 17.

attitude on the part of the public. Blatant forceful tactics are normally attributed to labor rather than to management. Normally such action has been tagged as racketeering and the public often regards infractions by the union to be more violent than those of management. However, history shows that management has not always been exempt from the use of violent methods although its corruption often appears to be a bit more sophisticated. Labor also participates in the more sophisticated forms of corruption and often these actions depend upon cooperation from management. The "Sweetheart Contract" which shall be covered within, is but one example in which labor and management share the corruption. Actually corruption within the labor movement tends to be more sophisticated today than was the case in the early days of the unions (1920's and 1930's).⁹

Collusion by labor and management is often the case in the more subtle yet complex infractions of their respective policies. Inter-action can become corruption when these two power groups desire to satisfy their diverse goals expeditiously through power actions which are not in keeping with the declared acceptable norms of the society.

With power actions of power groups explored, let us investigate the development of the union as a power group.

⁹Walter C. Reckless, The Crime Problem (New York: Appleton-Century-Crofts, Inc., 1961), p. 188.

CHAPTER II

THE RELATIONSHIP OF POWER TO
LABOR CORRUPTION

Power Through Revolution

Early unionism in America tended to be zealous, ruthlessly dedicated and radical in that the 'class struggle' theory was stressed. Drives for membership were designed to elevate the working class and provide them with the rights of full industrial citizenship. An equal status with industry was desired. In the late nineteenth century, the Noble Order of the Knights of Labor mushroomed. "The Knights spent much of their energies in urging a cooperative society and lambasting the money power of Wall Street and the banks."¹⁰ From a relatively small group, the Knights expanded to 700,000 members in a period of six years. This organization expounded the philosophy held by most union organizations in the early days of unionism.

However, the impetus was slow to progress as it appeared to many that within reason, opportunities were always present in America for those ambitious enough to

¹⁰ Nathan W. Sherrerman, The Man In the Middle (New York: Doubleday and Co., Inc., 1961), p. 223.

work toward such goals. The ideal of a high accessibility to opportunity had always been a part of American life. At the same time an old English law principle existed which stated that unions constituted an illegal restraint of trade.

The desire for industrial citizenship was stressed although the union leaders were not entirely oblivious to material goals. However, unions were far from being as material-gain oriented as is the case in modern unionism.

Industrialists and much of the public resisted this call for socialistic equality. In many industries unions simply were not allowed 'in the door.'

Considered to be radicals by many, union leaders derived their power mainly from the membership and the isolated industries which allowed unions to exist within their complexes. The major struggle at that time was for entrance and acceptance rather than for the creation of favorable contracts within the few tolerant industries which accepted organized labor.¹¹

Power was at times misused as the labor leader sought entrance into industry. It was obviously impossible for power to be used in bargaining sessions when the union was not allowed to be represented. A 'Sweet-heart Contract' cannot be agreed upon when the

¹¹David J. Saposs, "Voluntarism in the American Labor Movement," Unions and Union Leadership, ed. Jack Barbach (New York: Harper and Brothers, 1959), p. 19.

industrialist refuses recognition. Therefore much of any corruption which existed was in the area of violence or at times was in the form of embezzlement from union funds.

Rudimentary forms of corruption (violence, embezzlement) constituted most of the misuse of power. Also the most rudimentary goal, recognition, was of prime importance in the early days of unionism.

Power Through Acceptance

The Noble Order of the Knights of Labor fell and although other extremists following similar lines of socialistic thinking appeared on the scene, it was Samuel Gompers who presented the unions with a more acceptable goal which was in adherence to the American philosophy. Gompers thought as a capitalist although his orientation was toward labor. He urged that labor accept the capitalistic way of life and at bargaining tables he sought to improve the working conditions and wage scales of the laborers. In contrast, the previous labor philosophy, burdened by socialistic tendencies, could not gain public empathy as could that of Gomper's. This new philosophy enjoyed the title of 'business unionism' at that time, a favorable title indeed.

Gomper's AFL advanced steadily showing an increase from approximately one-half million members at the turn of the century to approximately two million when the United States entered World War I.

Acceptance, perhaps at times begrudgingly given, was not forthcoming from the public and industry alone. Shefferman states:

The climate and soil were excellent for the growth of non-radical unions during the wartime manpower shortage in the booming industries. Gompers became a welcome visitor in the White House. The powers of the federal government had usually been employed against the unions; the new War Labor Board sided with the workmen in their "right" to organize and bargain collectively. The AFL more than doubled its membership to five million in 1921 when the war boom was over.¹²

The power of union officials was derived from acceptance of the union system by the public, industry, and now the government. Although resistance to unionism still existed, it had become far easier for unions to gain entrance into industry. The struggle for recognition was often being replaced by the struggle for favorable bargaining concessions. The power of labor leaders was on the way to becoming a foregone conclusion.

A set-back during the Depression years rendered union leaders nearly helpless. With so many unemployed, those who had work did not wish to "rock the boat" by demanding higher wages and larger fringe benefits. Union membership declined greatly at this time.¹³

The post-Depression era brought an increase in union membership. The CIO, under the auspices of John L.

¹²Ibid., p. 227.

¹³Saposs, op. cit., p. 73.

Lewis, began to rival the AFL for membership, and as history relates, the two merged in 1955 to become the largest union in America.¹⁴

Power of acceptance had been conferred upon the union system and inadvertently provided a monumental power potential for the leadership of the various unions.

Economic Power

Riding concurrently with the power of acceptance was an economic power. As membership increased, so did union treasuries. The advantages of this new form of power were innumerable.

Strike funds were developed. Although the remuneration to a striking member was but a percentage of his normal salary, it was adequate to placate him for a longer period of time than was previously possible. Thus a threat of a long enduring strike could be realistically made. The employer was no longer assured of a short strike which would end in his favor due to extensive monetary deprivation of the union membership.

The finest legal council, equal to that commissioned by management, could now be hired by labor. Retention of the most experienced legal council available helped place labor on an equal or almost equal footing with management

¹⁴Jack Barbash, Unions and Union Leadership (New York: Harper and Brothers, 1959), p. xiv.

when involved in contract negotiations, bargaining sessions, and arbitration battles.

In a society which is impressed by affluence, the possession of monetary wealth tends to provide an aura of power and success. Although at times respect of the union system is not present, the fact that the unions have accumulated wealth is reason enough for much of the public to infer corresponding power.

The Power Element

The power of the union in America today is indeed a foregone conclusion. National membership has been estimated at approximately 18,325,000 (1966 data). The economic status of unionism is assumed by many writers to be of grandiose proportions. By means of association with this powerful organization, the union officer derives his power. Through the election process, the membership delegates authority and power to the elected official. The member relinquishes his individual power to negotiate and to act in his own interest for the status and collective power derived from membership in the labor organization. Thus only those actions carried out by or directly authorized by those designated as the labor leaders can be considered as union actions.¹⁵ The individual member might perform an action which he

¹⁵George W. Brooks, "Reflections on the Changing Character of American Labor Unions," Unions and Union Leadership, ed. Jack Barbash (New York: Harper and Brothers, 1959), p. 27.

considers to be for the 'good' of the organization. However, this act cannot be credited to the union group. The Wildcat Strike is a good example of the point being made here. The majority of the membership may strike without authorization from the union leadership. The formal union organization itself cannot and is not indicted for this action as the members are acting contrary to the authority of those administering the union power. If an individual is directed by a labor leader or official to commit a violent act, the individual may be prosecuted by the legal system, yet this action must be regarded as being the responsibility of the union power group. Any action, whether deemed corrupt or non-corrupt, can only be credited to the labor movement if it was carried out or authorized by those delegated to administer the power inherent in the labor organization.

The power afforded a union official is normally of great magnitude. It is in regard to this very power that Petro states, "Society knows no way of keeping men from lusting after great power, and it knows no way of keeping men who have acquired unlimited power from abusing it."¹⁶

Although Petro regards any labor power to be an evil, a point has been made in the preceding comment. If the labor leader veers from the goals set for his position,

¹⁶ Sylvester Petro, Power Unlimited--The Corruption of Union Leadership (New York: The Ronald Press Co., 1959), p. 280.

the power afforded him has been misused. It is not always the case that an official unselfishly uses this extensive power exclusively for satisfying labor goals. A temptation toward corruption is obviously present when such power is at hand.

In reference to the labor leader, Velie makes the following queries:

He has been catapulted to great power almost overnight. Yet in a democracy which operates on checks and balances, here is a man whose power seems neither checked nor balanced. How do we keep him powerful enough to bargain with the boss for his people--yet not so powerful as to make a good thing of the union for himself?¹⁷

And so the use of power to satisfy goals not designed to better the position of the union members becomes corruption.

Power is not the issue in labor corruption, however its misuse is.

¹⁷Lester Velie, Labor U.S.A. (New York: Harper and Brothers, 1959), p. 276.

CHAPTER III

FORMS OF LABOR CORRUPTION

At this point we will investigate the various forms of labor corruption as noted by those authors reviewed. Forms other than those listed and variations of those mentioned are indeed possible. However, there will be an attempt to note the more common forms of corruption in this section. The more violent and flagrant abuses will be considered first followed by a range of more subtle yet complex forms of corruption.

Tactics Incorporating Force

Although forceful tactics were more prevalent during the 1930's, they are by no means extinct today. Often non-union gangs are brought in to handle the "dirty work" prescribed by various unions. A match set to a gasoline can, destruction of property, or actual physical violence may be used.

The Kefauver hearings disclosed many such tactics which were found to exist in the New York dock unions. Reprisals would be brutally enforced if the pay-offs were not forthcoming. Creating the emotion of fear is essential if this form of corruption is to be successful.

The McClellan Committee discovered that much of Jimmy Hoffa's philosophy as sultan of the Brotherhood of Teamsters was that most union transactions must be ruled by the fist. As a means of survival, when Hoffa was a young organizer in Detroit, Michigan, physical means were necessary in order to cope with thugs and gangsters employed by anti-union employers. As the Hoffa influence increased, this show of force was also directed toward the rank-and-file in order that they not hamper the advancement of the Hoffa regime.

One of the more blatant uses of force which backfired was the case of Herman Kierdorf. Kierdorf, under the employ of Hoffa, was sent forth to convince employers that they should make use of the laundering service which had been recently established. The laundering service which had been recently established. The laundering service was designed to handle industrial laundering, the overalls and uniforms which employers provided for their employees. A group of mobsters (so described by the McClellan Committee) had developed this business and received strong support from the Teamster's leadership.

Kierdorf informed employers of this new service while emphasizing the strength of the Teamsters who were backing the project. Many employers switched to the new laundry service immediately. Threats and force were the ingredients used to develop a large clientele for the new

business endeavor. The finale occurred when Kierdorf became a human torch while firing a competing laundry in Flint, Michigan. This is but one recent example of forceful union corruption.

Normally violence is preceded by a threat. If the warning is heeded, the violence is not forthcoming. Violence is a dangerous alternative due to the possibility of detection. Often this form of corruption is resorted to as a form of action when other reprisals fail to produce the desired result. However, there are still union groups which consider violence as the only possible resort when demands are not met.

Violent tactics may be directed toward employers, independent employees and even outspoken citizens not affiliated with either group.

Perhaps the Loftus definition of corruption as being no more than brass, force and clever legal council was applicable to the Czars who reigned over the union complex during the 1920's and 1930's. C. Wright Mills conducted an extensive survey in 1944 in an attempt to discover if a new breed of labor leader had emerged from the 1930's. The 1930 period had seen the reign of numerous powerful labor leaders who often resorted to violence.

Results of an extensive survey concerning itself with the leadership of the AFL and the CIO provided the following results:

Eighty three per cent of the leadership was U.S. born in 1944 in contrast to sixty eight per cent in 1925. Thus any outcry regarding "foreign born agitators" had lost any relevance which may have previously existed. A younger group of leaders held union reigns in 1944 with the average age being 46. The average age in 1939 was 61. Mills also discovered that labor leaders in 1944 were better educated than the adult male population but not as well educated as the majority of business executives.¹⁸

The results of this survey show that a younger, more sophisticated group of labor leaders had evolved from the 1930 period. The implication is that with the change in labor leader characteristics would come a change in actions and approach toward labor activities.

The Union and Public Acceptance

Recent trends set during the 1950's and 1960's show that the unions are campaigning for a much needed commodity--public acceptance.¹⁹ Charitable campaigns have been endorsed and even initiated by some labor groups. With the free press available to report anything "newsworthy," detection of violent infractions is often considered to be worth reporting. Thus any public good will created through a series of commendable actions

¹⁸C. Wright Mills, Power, Politics and People (New York: Ballantine Books, 1963), pp. 77, 79, 81, 84, 88.

¹⁹Bell, op. cit., p. 203.

can disintegrate upon the discovery of an offensive act of violence. The ideals and purposes for the unions' original inception have often been forgotten or are not considered by much of the public which warily recalls the violence which existed in the 1920's and 1930's. Labor has not enjoyed the more favorable press coverage and general public acceptance afforded to industry.

Public disaffection toward unions existed long before the 1920's. Historically the nature of the young booming American culture was believed to be dependent upon industrialization. Working conditions which today appear to be inhumane went unheeded by much of the public at that time. Indifference toward the unions was practiced by the Judicial branch of the government. The attitude of this branch in the early 19th century was to regard as criminal conspiracy any concerted refusal by employees to work in an attempt to raise wages or improve working conditions. In the mid-nineteenth century, attitudes by the courts changed from outright hostility to grudging toleration. At this point, most courts allowed peaceful strikes if they were organized to satisfy economic desires. Some courts would allow strikes to exist which were organized for the procurement of ancillary aims; however, this was not a widespread practice.

Minimal allotments were being made by the courts; yet Gerald Brown states, "On the other hand, there was no general acceptance of unionism as such on the part of the American public or the majority of American employers."²⁰ Hostility from employers, often the pillars of the community, was often communicated in a loud determined voice and the feeling of hostility spread.

It may appear ironic that the general public would look so unfavorably toward a group which promised (whether possible or not) to improve working conditions and procure greater economic gains for them. Yet numerous factors need be considered. The national industrial ideal was being challenged. Methods used by the labor groups were at times violent and a bit radical. The federal government gave little support to unionism in its early days.

With a history of public disapproval, the union's image was further hampered by the violence enacted during the 1920's and 1930's. Violent methods used in the 1930's were often carried out with little consideration as to the effect such actions might have upon public sentiment. The approach was 'inner-oriented' as corrupt leaders often used expedient means to satisfy personal goals.

²⁰Gerald Brown, "Public Reaction," Labour Relations and the Law, ed. Otto Kahn-Freund (London: Stevens and Sons Ltd., 1965), p. 170.

At that time in history it would appear, in retrospect, that the populace might have been more sympathetic to the labor cause due to the working conditions and economic situations which existed. Yet the union was often regarded as an alien element to be tolerated, hated, feared, or watched.

It was not a difficult task for the U.S. Congress to enact the Sherman Anti-Trust Act in 1890. This act stated that injunctions may be issued and recovery of damages may be collected by the employer 'victimized' by a strike. Public approval of this legislation or indifference toward unionism were factors which aided the passage of such an act. Not until 1932 and the Norris LaGuardia Injunction Act did the right to strike in conjunction with a labor dispute receive any protection from the federal courts.

Investigation of the type of labor leader who managed many of the unions during the 1920's and 1930's may provide an insight into the reason for the methods used and the seemingly total disconcert of public approval. Gangsters and racketeers have at times invaded the labor movement on their own. Taft notes:

The outstanding example of such an invasion took place in Chicago in the early 1930's soon after the repeal of the Eighteenth Amendment. Having lost their profitable revenue sources from bootlegging (through re-establishing the legal sale of alcoholic beverages), members of the leading criminal syndicate in Chicago sought new outlets for their talents. In the cleaning and dyeing

trades of that city they were able to set up a joint organization, embracing employers and labor, with a well-known labor arbitrator with academic connections who decided wage-and-price policy. This venture was dissolved as a result of the indictment and prosecution of the principals in the state courts.

These gangsters also forced their services upon unwilling labor organizations by threatening the lives of the officers. In some cases, unsuccessful attempts were made to seize the entire local union, and during this period it became necessary for many locals in Chicago to defend their officers by providing armed guards. On the whole, the local labor movement was able to ward off the attack from the criminal underworld, but some locals succumbed to the invasion. In some instances, officers were assaulted and even murdered for their resistance.²¹

In most instances, the public was not aware of this invasion and they simply assumed that the violence which emanated from this movement was a characteristic of the labor movement itself. The effect of these invasions was deadly and public opinion toward unionism fell greatly. Even today, suspicion remains as a result of that period in the history of unionism.

As union leaders began to realize that progress toward desired goals was dependent upon or at least was more easily attained with public approval, violent means were resorted to less frequently. There should not be misinterpretation at this point. Violence in the labor system still exists, however it appears that

²¹Philip Taft, Corruption and Racketeering in the Labor Movement, New York State School of Industrial and Labor Relations Bulletin 38, Cornell University (Ithica: by the author, 1958), p. 13.

this method is used less impulsively. An "outward-oriented" union system was coming into effect in the 1940's and the 1950's.²²

The desire for public acceptance may possibly be regarded as one of the checks which curtails the use of violence in the union system. Admittedly, fear on the part of the victim in reporting the violent act may prevent many forceful actions from being discovered. However, the stakes are high and a definite gamble exists that the use of violent means may be discovered and brought to the public's attention. Although a multitude of reasons may exist for the lessening of violent acts in recent years, perhaps the desire for public approval may be credited as being one of the main reasons.²³

Embezzlement of Funds

Although embezzlement is but a form of common thievery, a definite distinction does exist. Embezzlement requires that an individual fraudulently appropriate to his own use money or property which has been entrusted to his possession. As a result of the individual's position, the crime does not consist of breaking and entering in order to perpetuate simple thievery. The

²²Daniel Bell, "The Capitalism of the Proletariat? American Trade Unionism Today," Unions and Union Leadership, ed. Jack Barbash (New York: Harper and Brothers, 1959), p. 44.

²³Blumer, op. cit., p. 236.

money has been assigned to the embezzler under the conviction that it will be distributed in a manner beneficial to all contributors and those directly concerned. Thus embezzlement constitutes betrayal of trust and fraudulent management of monies or property.

The labor leader has enjoyed a large degree of immunity from law enforcement. As is the case with industrial leaders, political machines and the actual respect afforded the top positions within our society create a protective blanket. Nevertheless, although possibly not as detectable a crime as is the use of violence, embezzlement is relatively easy to detect. Cancelled checks and union business ledgers which do not provide a satisfactory accounting for the withdrawal of large sums of money are often the finest witnesses to embezzlement.

Once embezzlement is detected, the problem can be easily dealt with by the law provided.

Embezzlement in local unions tends to be more common in those which do not answer to a national organization. Many national labor organizations carry out a careful surveillance of member union funds in an attempt to discourage embezzlement by local union leaders. Concealment may be more easily effected on a local level due to the fact that these unions are less apt to be under scrutiny than are the national organizations. The

lime-light is normally upon the officials of national organizations because of their great span of control. It is therefore assumed by some writers that fear of legal reprisal creates a check upon embezzlement by high labor officials. As Taft states, "Embezzlement of union funds by high officers of the union is comparatively rare. It is also the type of corruption which might be dealt with most easily."²⁴ However, it should be noted that high officials are not exempt from this form of corruption. The McClellan report stated that from the testimony collected, it was fairly obvious that Jimmy Hoffa and Dave Beck have been so inclined. In recent exposures, it was discovered that high officials of the United Textile Workers and the United Bakers unions were quite obvious in their embezzlement practices. Funds were not diverted to another ledger but they were simply drawn out on a regular basis for the personal use of the officials involved.

Although normally less detectable than the use of violence, embezzlement is a relatively simple-form of corruption. The creation of non-existent funds, the channelling of more money into a fund than was originally designated and the failure to record all funds collected are all devices which aid the act of embezzlement and make concealment quite possible. Nevertheless, if

²⁴Ibid., p. 15.

extensive investigation is initiated, detection can be relatively simple. The complexity existing in other forms of corruption is not as obvious in embezzlement. This is but a specific form of theft.

"Hot Cargo" Corruption

This form of corruption is rather specialized. It is directed toward those employers who do not meet the demands set by a particular union. For this form of corruption to be effective, the union must have some involvement in the area of transportation. Within the complex industrial system which exists today, effective distribution is a necessity. Most businesses, small or large, are hampered by cessation or delays in the distribution system. Thus the guarantee of commodity delivery is used as a leverage by various unions in order to force the employer to reconsider union demands.

The procedure is relatively simple. The union official, displeased with the results of contract talks or personal demands made upon an employer, labels the commodities to be delivered to that firm as being "Hot Cargo." Organized truckers along with others concerned with the distribution process curtail the delivery of these goods until demands are met to the satisfaction of the official. This is a most effective form of corruption. A larger industry can usually weather the storm for a while, however the effect upon a smaller firm can

be disastrous within a very short span of time. Detection is extremely difficult. A court injunction against the union is not always effective. Excuses for the delay of delivery are easily fabricated. Extensive investigation is required in order to disprove these excuses. Prosecution often is dependent upon a confession by an individual involved in the process. This is an unlikely occurrence due to the sanctions which the individual realizes may be imposed upon him by the union.

As in the use of violence, this form of corruption tends to be a relatively simple form. The sanctions imposed upon an uncooperative employer is quite direct in its application. To state it simply, goods will not be delivered if demands are not met.

This can also be a two way process. Commodities to be delivered from the employer may become 'lost' when placed in the care of certain organized labor employees who are responsible for the distribution process.

Collusion

This form of corruption is more complex and involved than the three previously mentioned. There are innumerable methods and combinations which may be regarded as collusion. It was mainly corruption of this sort which prompted the establishment of the McClellan Committee.

Labor today has progressed to the point where it often shares equal or near equal power with numerous

industries. Violent methods which were deemed necessary in order to gain admittance into the industrial complex in the early days when the union did not enjoy such power have been largely substituted by methods in which management shares in the corruption.²⁵ The bargaining process becomes a mere sham when this form of corruption is perpetrated. The more common forms of collusion will be presented. Again it should be noted that numerous combinations and forms of collusion are possible. Those which are most frequently cited as examples of collusion will be presented here in an effort to acquaint the reader with the general process involved.

Kickbacks and Rebates

In this form of corruption, kickbacks or rebates are made to the union official by an employer who is the recipient of an agreement which proves to be more advantageous to the employer than to his employees. The most recent example of such corruption was found to be present in the area of health and welfare programs.

The process involved normally is that a labor leader bargaining for a health and welfare program is informed that it would benefit him personally to accept a certain program endorsed by the management involved. The benefits derived by the employees are less than what

²⁵Bell, (ed.) Barbash, op. cit., p. 44.

might actually be purchased with the amount of money supposedly paid into the program. With a less expensive program purchased than the one advertised, the employer shows his appreciation for the union official's cooperation usually by means of a monetary reward. At times the reward is not monetary. In order to save face and appear to be an effective leader, an official may agree to a sub-standard program rather than wage a losing battle which may provide him with a loss of prestige in the eyes of the employees being represented.

Basically, the bargainers sign an agreement for an amount to be paid into the health and welfare program which is greater than that required by the program actually purchased from the insurance carrier. This procedure is rather difficult to detect. Funds are earmarked for a particular health and welfare program. In the past, not too many investigators followed up such payments as they appeared to be beyond suspect. It was the McClellan Committee which brought this form of corruption into the open. A stunned public and body of employees learned of the corruption which can develop from a program which is regarded as a progressive step in union bargaining.

Cannot the employee himself become aware of this type of infraction? Normally it is most difficult. The agreement consists of a full package of benefits. To

compare this package with that allotted to a member of another union poses an obvious problem. The one program may provide higher benefits in one area and lower benefits in another. Therefore the employee finds it nearly impossible to judge the value of benefits derived from one program versus another. A knowledge of loss probabilities is a necessity in determining the value of differing programs.

Bribe Acceptance

Counter to the previous form of corruption, the labor leader receives an illegal payment from management rather than a rebate of union funds paid into a cleverly formulated health and welfare program. The bribe may also be an integral part of the "Sweetheart Contract" which will be investigated shortly. The bribe may be made prior to the development of a contract or after one has been established.

The labor leader may accept a bribe as reward for overlooking a violation of a code or rule in the original labor agreement. A legitimate grievance may be tabled or negated by the labor official who seeks personal gain.

It is not necessary that the original agreement be a "Sweetheart Contract" for this form of corruption to exist. A labor leader may resort to acceptance of a bribe while aborting a good contract which had been agreed

upon previously. Such an action can lower a good contract to the same level as a "Sweetheart Contract."

Bribery may also be resorted to when management seeks to satisfy certain goals not defined in a contract.. The bribe is not offered exclusively for the purpose of having labor overlook an infraction of a contract by management.

When bargaining sessions which are called in an effort to bring about the culmination of a strike bog down, the union leader may take a bribe as payment for his acceptance of a contract not in accord with union demands.

Bribery has also been effected in situations in which the labor leader, amply rewarded, agrees to cease campaigns for union enrollment at a firm which is not unionized and does not desire to become unionized.

The "Sweetheart Contract"

Numerous possibilities exist in perpetrating a "Sweetheart Contract." Such a contract is designed to provide benefits for the labor leader and management at the expense and loss of benefits or monetary advancement to the employees concerned.

"The Racket Company Union"

Such an organization may externally resemble a legitimate labor organization. The leadership of a Racket Company Union will accept minimal concessions for

the worker during negotiations. The goal of such a union is to enrich the leadership at the expense of union members. Such an agreement frustrates the lawful right of workers to bargain collectively. The union racket has enjoyed its greatest success in low-paying industries in which the workers tend to be foreign born or are incapable of intelligent assessment of agreements made between the union and management.

Numerous industries employing Puerto Rican laborers were found to have this form of union representation on hand. Lack of knowledge regarding one's rights makes the employee an ignorant victim of such an organization which purports to be in existence for the worker's benefit. The leadership of such a union lacks any loyalty toward the worker or the labor movement as a whole. A "Racket Company Union" is often an autonomous organization but may at times be affiliated with a legitimate system.

The Labor Leader as a Corrupt Agent

"Sweetheart Contracts" have been consummated between management and labor organizations which in their constitutions appear to be dedicated to the satisfaction of the member's needs. In such a case, the labor organization as a whole cannot be accused of the corruption. The labor leader, determined to satisfy personal desires at the expense of the worker's needs and the union's

philosophy, must assume the blame. If investigation and checking procedures are adequate within such an organization, this form of corruption can be minimized.

Degree of Labor Leader Corruption

Excluding consideration of the type of union organization involved, an analysis of the various types of corrupt union leaders may be beneficial in understanding reasons for the existence of corruption. Some may be quite militant in their drive to satisfy worker's needs and yet may be prone to satisfy selfish personal needs concurrently. It may appear incongruous that a leader can perform as a devoted labor agent while giving vent to personal avarice. Taft attempts an explanation as he describes two types of corrupt union leaders.

The first type is one who despite his corrupt actions serves the members well. He is a determined and dedicated union man who is willing to fight in order to accomplish union goals. His corruption constitutes a betrayal of trust. It seems possible to assume that such a leader would find it necessary to rationalize his behavior in order to maintain this diverse balance without suffering severe pangs of conscience.

The second type of corrupt union leader is one who comes from outside the movement. Such an individual moves in to exploit the union and its members and loyalty to the union movement is nil. As a rule, these

individuals dealt in similar corrupt and illicit activities prior to their entrance into the area of labor relations.

These two types almost appear to be polarities, yet such an assumption is an over-simplification. As time progresses, the first type of corrupt leader may lose the ideals and standards which he previously supported as his desire for illegal gains increases. The outside mercenary may develop an interest and even a loyalty toward the union which he originally intended only to exploit. A wide range exists between the most corrupt and the least corrupt union leader. The ratio between the dedicative behavior in behalf of the union and the amount of corruptive action in the pursuit of personal gain would need to be studied in order to determine the degree of leadership corruption.

Utilizing the Services of Agents or Middlemen

The services of a middleman or agent are utilized quite extensively today by both management and labor officials. This procedure is not in itself corrupt. The agent may often be found behind protective titles such as 'industrial relations consultant' or 'labor relations lawyer.' To be of any service to management, the middleman must display an influence with labor leaders.

As workers become disenchanted with management policies, there is a tendency for them to seek out

representation. In an effort to appease the worker in his demand for representation and at the same time guarantee that an agreement favorable to management may be consummated, an agent may be sent forth to peddle a "Sweetheart Contract" to the union officials. The resulting success or failure of his venture is dependent upon his influence in the labor camp. His services may also be rendered for bargaining sessions even though a contract already exists.

The services of an agent may also be sought by the union organization. Knowledge of the fact that a firm's employees seek representation and that the firm is not favorable to such a condition, an agent may be sent to management to convince them that a union can be installed without the employer being hampered by the ensuing contract.

Not to deny that violence does exist today in some labor transactions, a shift to the more complex forms of corruption takes precedence. Ironically, the sophisticated and knowledgeable corrupt union agent may be correlated to the gun toting mobster employed in an earlier era of union history. The function of each is or was to carry out the actual process of corruption perpetrated by a corrupt union leadership.

The "Sweetheart Contract" is but a sham and a cruel document which frustrates the rightful demands of

the membership. Sound union goals are perverted by its use. The member becomes a victim of the deception incorporated within the contract. Rather than becoming an instrument designed to procure better wages and working conditions, the "Sweetheart" becomes a tool for keeping the worker in line. The loss in pay and benefits to the employee which might have been realized through an honest contract can be enormous.

This form of corruption exemplifies the more complex yet subtle form of corruption which has evolved since the earliest days of union activity in America.

Previously presented are a number of actions ranging from violence to non-violence which are most often noted by those reviewed as being acts of labor corruption.

However, it is unrealistic for us to assume that an all-inclusive list of corrupt labor actions can be provided. The variations of such actions are many and it would be an overly subjective listing which might reflect the individual bias of each author reviewed. It is also not adequate for us to state that corrupt labor actions range from violence to more subtle actions. Such classification defeats the purpose of attempting to clearly define labor corruption. Therefore a more tangible and standard means of classifying those acts of corruption noted in this chapter must be decided upon.

CHAPTER IV
CLASSIFYING THE FORMS OF LABOR
CORRUPTION

Presented in the previous chapter are many power actions regarded by those reviewed as being acts of labor corruption. Before an attempt may be made to present a workable definition of labor corruption, a framework must be settled upon which includes all types and forms of such corruption noted in the previous chapter. Such a classification is necessary so that all actions considered as corruption can be readily identified.

Labor Activity as Corruption

The mere presence of the labor movement within the American social structure has been viewed by some critics and writers as being the presence of corruption. None imparts this attitude more enthusiastically than Sylvester Petro. Incensed by findings of the McClellan Committee hearings of 1957, Petro has in a damning and uncompromising way advanced a theory in reference to labor corruption. In his opinion, "corruption" and the actual 'labor movement' are synonymous terms. Petro suggests that the

threat to America does not lie in other nations, but exists in the internal threat of the labor movement.

To quote Petro, "Violence, extortion, and widespread corruption are the facts. The probable consequences are destruction of the economic system and social deterioration."²⁶ As he sees it, the reason that the union system continues to exist is due to the special privileges which have been delegated by the federal government and which the general public has allowed to exist. These special privileges consist of a right to use limited violence and the right to carry out monopolistic tendencies. As a result of these special privileges, the more corrupt individual is drawn to the labor movement and the more honest individual is driven from it.

Monopolistic Privileges

With reference to the monopolistic tendencies which Petro cites as being a threat to our social structure, it is rather difficult to ignore the fact that business also enjoys many delegated privileges which make the establishment of monopolies very feasible.

Mills views the business world as enjoying numerous privileges from the government. This condition is so prevalent that Mills feels that industry appears at times to be a government within a government. To quote Mills:

²⁶ Petro, op. cit., p. 201.

As business is more and more bureaucratized under the propertied cliques of the Spitzenverbände, as "outsiders" and small entrepreneurs are mashed out, any interest which comes into conflict with any segment of business has no alternative but to appear to attack all of business and the tenets of the capitalist system for which it stands.²⁷

The privileges extended by the government tend to label business as an integral portion of the political system. The tenet that labor enjoys privileges not allowed other groups seems to be in contrast to the Mill's theory. Anti-trust legislation is but another indication that if privileges allotted to business are not channelled, formation of uncontrollable monopolies may evolve.

The Threat to Democracy

What of the theory advanced by Petro that the labor organization will eventually bring about the downfall of Democracy as a workable system? As Phillip Taft notes, the union system was developed upon democratic principles. The idealism and altruism incorporated within the original movement are possibly more realistically interpreted today than they were previously. Yet the foundation remains democratically oriented. Equity and justice among men were the original goals set by the labor movement's founders.

Because of the framework of the union system, the unions could actually bring about conditions which are

²⁷Mills, op. cit., p. 73.

in keeping with the democratic philosophy of equality. As an example, management is required to abide by the labor contract agreed upon. Therefore, if the labor union itself does not practice discrimination, management will find it necessary to comply with the democratic principle of integration and thus employ any union member regardless of race or creed.²⁸ The labor movement when working effectively can be a force toward the attainment of democratic principles. Although not a pure form of democracy, a non-corrupt union organization which embraces such ideals can perform as a democracy within a democratic system.

Petro gathers his fuel from the controversial McClellan Committee hearings. Few of its findings were advantageous to the labor movement, yet it seems fairly obvious that the committee was not created to laud the numerous values and virtues of labor. It would be worthwhile to investigate the attitude of McClellan himself since his work provided the material support for the broad corruption theory being noted in this section. McClellan states that certain characteristics or portions of the labor make-up should be changed or altered in order to reduce existing corruption. There does not appear to be an actual condemnation of the union system

²⁸Will Chasen, "American Labor Attacks Its Own Segregation Problems," Unions and Union Leadership, ed. Jack Barbash (New York: Harper and Brothers, 1959), p. 44.

by McClellan, but merely an appeal for the sorting out and elimination of corrupt elements which can exist within the union structure. McClellan noted his belief that the majority of labor leaders do abide by the regulations set for and by the union. This attitude tends to negate the theory so forcefully put by Petro and others of his inclination.

A debate concerning the right of the union system to exist within the American society is of no import to this particular thesis. However, there is much literature available which provides analysis and support of the union system. Not only proponents but also some critics of the union system support the theory that the labor movement fulfills a utilitarian function within our society. Such a broad theory as that formulated by Petro seems to be unique in the fact that it is based upon a rather narrow outlook.

Blatant Acts as a Means of Classification

There is a tendency by a few authors reviewed to concentrate on those forms of corruption which are most visible and violent as being the most appropriate examples of labor corruption.

Joseph Loftus defines labor racketeering as not being much more than simple dishonesty. He states that the necessary ingredients are "amorality, brass, and

clever counsel, in case you get caught."²⁹ Sometimes a show of muscle can be useful and a little brain power may help. Guile is not necessary as the business of labor corruption is still quite crude.

It would appear from the simplicity of this viewpoint that detection of infractions should be a relatively simple procedure. Bumbling heavy-handedness actually is rather easily detected. Corruption on the New York docks was comparatively discernible although it required investigation and patience to open the right mouths so that charges could be made.

The Jimmy Hoffa portion of testimony in the McClellan hearings pointed out numerous blatant acts of violence. Many such examples could be cited which would support the theory expressed in this segment.

However, it would not be necessary for there to be committee hearings if all corruption were easily detected, and criminal law could be applied by local officials if all corruption were so clearly black and white. This is not always the case. Violence may be the offspring of deep seated corruption. The Loftus classification fails to incorporate the more sophisticated forms of corruption such as those practiced by a corrupt union agent or middleman. To quote Velie:

²⁹Joseph A. Loftus, "Labor Racketeers at Work--Six Examples," Unions and Union Leadership--Their Human Meaning, ed. Jack Barbash (New York: Harper and Brothers, 1959), p. 320.

Everyone now knows about the labor leader who steals from the treasury, or the racketeer who extorts from an employer. But little is known, because he hides in the background, of the man behind the most serious union corruption of all, the collusion between employers and the union middleman.³⁰

This individual's actions are not easily detected. The middleman does not publicly advertise his influence with labor unions. Because of this influence, he may be sent to an employer to consummate a deal which will keep the union out of the plant for a price or allow it to enter under a Sweetheart Contract. Such an individual can come from either side. Yet he is principally an agent for the union. This is corruption which is not often brought to the public's attention, but is one example of a more complex and sophisticated form. The extortion of a reported \$370,000 by Dave Beck is minimal compared to the less publicized loss of pay which resulted to the rank-and-file due to an agreement made by him through a middleman to authorize substandard contracts.

Timing and a perceptive nature are necessary characteristics of a successful union agent. A business approach accompanied by a knowledge of the business situation are mandatory if the agent is to deal effectively with management. The brainlessness as depicted by Loftus could hardly be a quality of the agent when delving into this form of corruption.

³⁰Velie, op. cit., p. 155.

Even when the middleman is employed by management, the unions often derive benefits in using the agent's services. It is assumed that these more subtle forms of corruption have a more damaging effect than do those of force and violence.

The example of the "middleman" simply points to the fact that not all forms of labor corruption can be labeled under the heading of blatant acts of violence.

Public Disapproval as a Means of Classification

The thought has been expressed that when actions of a group, in this case the labor organization, do not meet with approval by the society within which they exist, then such acts may be considered as labor corruption. Immediately one problem seems rather apparent. How does one accurately gauge the representative public opinion?

In reference to the theory expressed here, Taft states, "By their very nature, unions cannot always act in harmony with public opinion. Racketeering should be distinguished from other types of conduct which may not meet with general approval."³¹

A strike can often lead to bitter reactions and resentment from the community affected (observe the recent transit strike of 1966 in New York City), yet

³¹Taft, op. cit., p. 1.

the union is within its legal rights to act in this manner.

The labor movement is dependent for its very existence upon members and business organizations in which to operate. In order to gain these two necessary commodities, vigorous pressure may be applied at times by the labor organization. There are times in which this is the only tactic which will lead to the successful attainment of the desired goal. Is the application of over-zealous pressure which is used within legal limits to be considered as corruption? If this were so, various politicians and management leaders might also be regarded as corrupt as a result of everyday actions. Applying pressure which is recognized as legal and within the confines of acceptable union activities, regardless of public sentiment, can hardly be regarded as corruption per se.

It should be noted once again that we are concerned with a power group which exists within a milieu of power groups. The 'public' contains numerous groups with goals which might be satisfied as a result of union pressure. This segment of the public would be diametrically opposed to those groups which disapprove of the power actions being used. In other words, it would be most difficult to find a single collective public sentiment. Thus, using 'public opinion' or to be more exact,

'public disapproval' as a means of categorizing all forms of labor corruption is not realistic nor scientifically sound.

Legal Classification

A classification is needed which encompasses all forms of corruption within the labor movement without the limitations inherent in the previous possibilities presented. A means of classifying which tends to be heavy ended and only incorporates the more violent forms of corruption will not satisfy our purpose. Likewise a classification which depends upon public disaffection as an indication of corruption cannot be considered as a realistic approach. To even consider the possibility that one could accurately interpret the public's mood at any one time is to suggest an unrealistically ambitious endeavor.

Advanced societies have a formal method of not only classifying infractions but also they have a means of applying sanctions. This is the system of law. There is always the possibility that the society has changed and outdated or outmoded laws remain formally inscribed. Yet the system of law is one of the most permanent and non-subjective means of classifying various forms of corruption. "The rule of law helps to ensure universalistic standard, for these are typically embodied in

the formal regulations governing official business."³²
 If the law classification is accepted for our purpose, any action which fits a criteria other than the fact that it is covered by law will not be considered as an act of corruption within the labor movement. We will presently peruse the various laws which have relevance and determine if the wide spectrum of forms of corruption is indeed incorporated in the legal classification. If so, this method of classification will satisfy our needs very well.

Customary and Enacted Law

The concept of law tends to emerge from the mores of a society. Often the law not only supplements mores, but also enforces them.

Investigating the concepts of 'customary' and 'enacted' law, it appears that each form has relevance in the classification of actions which may be considered as acts of labor corruption.

"The first (customary laws) merely formalizes the customary sanctions of the mores whereas the second is enacted by organizations established for this purpose. The chief sanctions are provided by the mores, and the

³²Harry M. Johnson, Sociology (New York: Harcourt, Brace and World, Inc., 1960), p. 291.

legal machinery is at first merely an extension of the informal moral order."³³

As a society becomes more complex, the somewhat inflexible customary laws with their sanctions become less able to deal with social change. This form of law then is normally supplemented by enacted law. Many of these legislated enactments reflect the mores as laid down previously in the more simplified customary law system. However, these enacted laws attempt to deal with anticipated situations and thus often bring about an actual change in the mores. "The legislation changes the behavior of millions of people. In a comparatively short time, new feelings and emotions (mores) develop about such enacted legislation. The innovation has been accepted and the mores have changed."³⁴

Obviously much enacted law has resulted from labor-management relations. Such law concerns itself with the possibilities of more complex infractions and takes over where customary law leaves off. On the more violent or blatant end of the scale, we will investigate the ability of customary law to incorporate and to deal effectively with such actions.

³³Francis E. Merrill, Society and Culture (Englewood Cliffs, New Jersey: Prentice-Hall Inc., 1965), p. 121.

³⁴Ibid., p. 123.

CHAPTER V

LAW SYSTEM AS CLASSIFICATION

Having decided that the legal structure of the society might be an appropriate vehicle for classification purposes, we shall now investigate both the customary and enacted laws which have relevance to labor corruption.

Legislation Not Specifically Labor Oriented--Customary Law

Violence

Legislation other than that specifically labor oriented may be utilized to deal with violence. Criminal law is quite applicable. The fact that the violent act was perpetrated under the auspices of a union official is not of prime importance. The criminal code applies to violence regardless of its source.

Under criminal law, offenses against a person or habitation are covered. Not only physical violence but assault (actual intent to commit physical violence, or such a situation in which an individual is placed in reasonable fear that he may be physically violated) is also covered.

When discussing offenses against the habitation, carnal destruction of an employer's property or home, and actual arson fall under the jurisdiction of this legislation.

Most often the fact remains that those prosecuted for carrying out these crimes are the thugs or mobsters sent out by a high union official. The source is seldom affected by these trials and more often than not, their influence (money or power) is used to manage the release of those accused. Too often, a pact of the underworld demands that if one is caught, he does not divulge information which would entrap others in the crime. This is a barrier which often keeps corrupt union officials out of the hands of the law. As an analogy, the drug pusher is normally incarcerated while the supplier remains unhampered. Naturally, the mobster or henchman must be dealt with yet it would be much easier as a preventive method if the actual source of the crime could be removed.

Embezzlement

Once again criminal law is applicable. The individual may be prosecuted as having perpetrated false pretense. Under criminal law, a mandatory factor is that the individual be in a position of trust with access to funds or property for a specified use and then makes use of these goods for personal gain.

If proof of guilt can be determined, it is a relatively straight forward process to apply this criminal law.

Collusion and Failure to Meet
Requirements of Trust

Much legislation specifically directed toward labor infractions has been enacted. This enacted law will be covered a bit later. It is also true that many of these infractions may be covered by general customary law. However, application of customary law has proved to be cumbersome at times when dealing with labor infractions. Therefore legislators have deemed it necessary to build a body of law designated specifically for the area of labor corruption.

In customary law, corruption by a labor leader may be considered to be an infraction against contractual and agency law. There may be a contract in specific terms regarding the duties of the labor leader as an agent of the rank and file within that particular union organization. This would be an ideal situation yet it is seldom the case. By joining the union and paying dues, it is implied or has been communicated by word of mouth that the leader intends to work for the collective good of all that are involved. A contract by implication is thus created. When a labor leader ventures into a "Sweetheart Contract," it becomes rather obvious that he is not

particularlry concerned with the welfare of those depending upon him. In such an instance, contractual and agency law might be applied, however those laws more specifically directed toward labor relations are much easier to apply.

Specific Labor Legislation--
Enacted Law

Labor reform legislation got its greatest impetus as a result of the recent McClellan Select Committee on Improper Activities in the Labor or Management Field Report. This select committee which was founded as an attempt on the part of Robert Kennedy to investigate the paper locals of New York, mushroomed into an extensive investigating body concerned with labor corruption on a national scale.

The committee was formed to accomplish the following two goals:

1. To determine whether existing law is being properly administered, or if our present statutes are so deficient as to permit improper practices and activities in the labor-management field and;

2. To develop the facts and fortify the Congress with pertinent information necessary to enable it to enact remedial and strengthening legislation in those areas where the presently existing customary law does not prohibit or is inadequate to prevent actions that the

Congress deems to be improper or not in the best interest of labor, management, or the general public.

The first interim report of the McClellan Committee appeared in March, 1958. The findings of the committee in that report may be summarized as follows:

1. There has been a significant lack of democratic procedure in the unions studied.
2. The international unions surveyed by this committee have flagrantly abused their power to place local unions under trusteeship or supervisorship.
3. Certain managements have extensively engaged in collusion with unions.
4. There has been widespread misuse of union funds in those unions studied.
5. Violence in labor-management disputes, widely regarded as a relic of the organizing era of the thirties, still exists to an extent where it may be justifiably labelled a crime against the community.
6. Certain managements and their agents have engaged in a number of illegal and improper activities in violation of the National Labor Relations Act, as amended in 1947 (the Taft-Hartley Law).
7. The weapon of organizational picketing has been abused by some of the unions studied.
8. Gangsters and hoodlums have successfully infiltrated some labor unions, sometimes at high levels.
9. Law enforcement officers have been lax in investigating and prosecuting acts of violence resulting from labor-management disputes.
10. Members of the legal profession have played a dubious role in their relationships with officials of some unions.

Recommendations:

1. To regulate and control pension, health and welfare funds.
2. To regulate and control union funds.
3. To insure union democracy.
4. To curb activities of middlemen in labor-management disputes.³⁵

³⁵U.S. Chamber of Commerce, Labor Reform Law 1959, Landrum-Griffin Bill (Washington: 1959), p. 43.

The findings and recommendations of the McClellan Committee led to the enactment of the Labor-Management Reporting and Disclosure Act of 1959 on September 14 (Landrum-Griffin Act), by the federal government. The act was a first by the federal government in that an attempt was made to police the internal affairs of the labor organizations. Control was directed toward the various locals as well as the national organizations. The scope of the act is broad and it is minutely detailed so that labor may be aware of actions which will be considered as infractions. Detection and conviction of such infractions are facilitated by this new legislation.

The act tightens the provisions incorporated within the Taft-Hartley Act of 1947. Curiously, twelve years separate each major labor reform act (Wagner Act, 1935/ Taft-Hartley, 1947/ Labor-Management Reform Act, 1959). The ban on secondary boycotts was tightened, hot cargo contracts outlawed, and organizational picketing was greatly regulated.

Preventive Measures

While the act makes provisions to deal with labor corruption, numerous checks are placed upon union activities in an attempt to control situations which could lend themselves to possible corruption. Major preventive measures will therefore be briefly noted.

Constitution and Bylaws

Each labor organization must adopt a constitution, and a copy of this with the bylaws must be filed with the Secretary of Labor. All membership fee requirements must be noted in the report along with such matters as qualifications or restrictions of membership, participation regulations in insurance or other benefit programs, financial audits, discipline of members, grounds for imposing fines and so forth.

As a measure to curb the "jostling" of union funds, it is deemed mandatory that the union make this information available to all members and allow members with just cause to inspect the books.

Financial Reports

Along with the constitution and bylaws, a financial report must annually be filed with the Secretary of Labor and again must be accessible to the membership.

Member's Right to Sue

The labor organization may not limit the right of a member to bring court action against the union. An attempt may be made to encourage the member to exhaust all available procedures in an effort to settle the disagreement before a suit is filed.

Trusteeship

Regulations and limitations are placed upon national and local union organizations which become involved in a mutually agreeable trusteeship. Thus the national is prevented from using the locals for any other means than those defined in the national constitution.

Elections

Rules are set forth in an effort to control the frequency of union elections, the format of campaign literature, campaign expenses, eligibility of nominees (all members in good standing are eligible), and application of adequate safeguards to guarantee a fair election.

Bonding of Officers

All officers or representatives who are responsible for the handling of union funds must be bonded by the organization.

Loans and Payment of Fines

It is specified in the act that a loan made by the union to an officer or union employee is not to exceed \$2,000. A fine may not be paid for any officer or union employee convicted of having violated any portion of this act.

Bargaining Agreements

Upon request, a member reserves the right to request from the local union a copy of any collective bargaining agreement which affects him as an employee.

Checks on Organizing and Bargaining Activities

Extortionate Picketing

Extortionate picketing refers to picketing designed only for the personal gain of a union agent or official. If the goal of the picketing is perceived not to be for the general good of the members, it becomes a federal offense.

Organizational Picketing

It is an offense for there to be picketing by a union which is not recognized as the bargaining agent or one which lacks certification. Certification must be granted by the National Labor Relations Board (NLRB). However, a union may picket in an attempt to advertise that the employer does not deal with it providing the picketing is not an attempt to gain formal recognition or does not hinder normal working conditions at the firm involved.

"Hot Cargo" Agreements

Any union agreement which restricts or prevents an employer from doing business with any other individual is unlawful. There are two exceptions:

One is agreements in the construction industry relating to contracting or subcontracting of work done at the site. The other exception is agreements relating to jobbers, subcontractors, and the like in the apparel and clothing industry.³⁶

Secondary Boycotts

The term boycott has been referred to by one court as being vague and lacking a utilitarian definition. "In labor usage, it generally refers simply to a refusal to deal with or patronize a business."³⁷ This new act tightens restrictions set by the previous Taft-Hartley Act in relation to secondary boycotts.

It is unlawful for a union which has a dispute with one employer to in any way coerce or restrain a neutral employer from doing business with the employer directly involved.

Secondary boycott action is also outlawed when there is an attempt to hinder the business of the primary employer through threats, coercion, or restraint upon railroads, government agencies and also municipalities.

³⁶The Labor Reform Law-Labor-Management Reporting and Disclosure Act of 1959 (Washington: BNA Incorporated, 1959), p. 9.

³⁷Ibid., p. 84.

This segment tends to isolate the dispute between employer and union without there being outside pressure to force union demands.

Picketing a retail store which handles the goods of a manufacturer in which the union has a dispute is also forbidden. However, the union is free to make its dispute known by using advertising or passing out handbills.

In Reference to Infractions

Violence

Although criminal law may be applied on a local level against any act of violence which is performed under union auspices, the designers of the new act included various violent actions to be covered. Thus when the violent action is regarded as being one blessed by a union organization, it will then become a federal offense.

The act concerns itself mainly with violence inflicted upon union members by the union organization. The law reads:

Union members are given federal protection from violence or threats of violence intended to intimidate them from exercising any of their rights under the Act.³⁸

³⁸Ibid., p. 12.

Embezzlement of Funds

Any form of embezzlement or unlawful conversion of funds by a union employee or officer is also considered to be a federal offense.

Collusion and Failure to Meet Trustee Requirements

The more subtle yet more numerous forms of corruption concerning unfair collusion with management at the expense of union membership is incorporated in the area of the act dealing with Fiduciary Responsibility:

Officers, agents, stewards, and other representatives of a labor union are declared to occupy positions of trust in relation to the union and its members as a group. They must conduct themselves in accordance with the rules of law generally applicable to the dealings of a trustee with other people's money. Any provision of the union's constitution and bylaws, or resolution of its governing body, purporting to relieve an officer or representative of liability for breach of his fiduciary responsibilities is void.³⁹

The abominable 'Sweetheart Contract,' agreements upon existing contracts which prove unfair to union members, insurance programs which do not provide all that they were purported to provide by union officials (this may also be deemed embezzlement at times) and all other infractions performed under the cloak of trusteeship are incorporated in this section of the act.

³⁹Ibid., p. 10.

Consultants-Middlemen-Labor
Agents

Incorporated within the law is a section devoted to the control of union transactions

Individuals prohibited from assuming the agent role.--Any person having been convicted of a serious crime within the past five years is prohibited from assuming the role of union agent. Members of the Communist party are also prohibited from serving as union agents for a period of five years after they have quit the party.

Restriction of payments.--Similar to restrictions placed upon employers, consultants are not to make blackmail or bribe payments to unions, other union consultants or any particular employee.

Reporting of agreements.--A consultant must file a full financial report with the Secretary of Labor within 30 days of having been involved in an arrangement with an employer regarding the persuasion of employees to exercise their right to organize or bargain collectively. Also he must report any payment received as a result of having reported employee activities or union activities in connection with a labor dispute. In any fiscal year, the agent must also report payments received containing receipts of any sort from employers and disbursements of any kind stating the related service provided.

The system of law provides us with a well defined and stable method of classifying and recognizing acts of corruption. If this system is utilized for our purposes, we must unequivocally state that if any action is not noted or provided for in Customary or Enacted legislation, then such an action does not qualify by our total definition as being an act of "corruption within the labor movement."

CHAPTER VI

IN SUMMATION

The Power Element

Among the numerous power groups existing within the American society, we find the labor movement approaching, sharing, and even at times surpassing in power the prestigious business world. The growth of the labor power group has been resisted by much adverse power along the way. Yet in a relatively short span of history, the union has reached a prominent power position which would have been impossible to predict at the time of the inception of the labor movement. Extensive power exists as a result of mass membership, wide industrial acceptance, governmental and public recognition and economic growth.

As in most power organizations, the inherent power resides with those few who preside at the pinnacle or managerial level of the organization. Thus it is safe to say that the manipulation of labor power rests with the labor leadership.⁴⁰ The union membership is afforded the democratic right of an election at the time it wishes

⁴⁰Brooks, op. cit., p. 27.

to be represented by a labor organization, voting rights for ratification of each contract and election rights for each negotiating team. Yet this completely 'free' process is obviously affected by the persuasive and propaganda methods which may be used by the leadership. In Michigan's recent senatorial race (1966), Robert P. Griffin was elected to the U.S. Senate. The Act which he had co-sponsored with Landrum had been directed toward the protection of not only the total society but specifically for the protection of those union members who might be hurt by corrupt union leadership. The law which Griffin co-sponsored (as noted in Chapter V) provides the labor member the right to sue when victimized by corrupt leadership. Also he is allowed access to all of his union's financial reports upon request. Also provided for by the legislation are rules which limit the free use of union membership funds by the leadership. The Act itself placed many requirements and restrictions upon the union system as a whole and was met with disdain not only by corrupt labor leadership but also by the multitude of honest labor leaders who resented the restrictions. Such an Act naturally shifts and limits power from one power group to another, the union to the government in this case. In a society of power organizations, each jealously holds onto its power and becomes extremely defensive when said power is threatened. Thus

the labor organization felt threatened and a stringent anti-Griffin campaign ensued in the industrial areas by the labor leadership. The propaganda campaign was successful. Griffin won the election but not with much support from the labor pockets in Michigan. Ironical though it may seem, much of the rank and file voted in accord with the directives of labor leaders against the individual who co-sponsored a bill designed for their very protection from exploitation by corrupt labor leadership wherever it might exist.

Such use of power by labor leadership is by no means corrupt, yet this example depicts the fact that the leadership of a power group enjoys a charismatic and influential position as it manipulates, wields and shares in the power of the collective group.

An interesting observation might be made here. Obviously the leadership set out to convince the rank and file that the Act named after the Senate campaigner was designed counter to their best interests. Perhaps the propaganda was most convincing but we cannot be positive that the rank and file was convinced. Perhaps they individually felt that the membership has not always fared as well as desired. If this supposition were the case, it seems strange that they would cast ballots against an issue which was designed for their personal interests. Once again we must look to the matter of

power groups and their inner-workings for a possible explanation. Coser puts it rather succinctly, "outside conflict . . . mobilizes the group's defenses among which is the reaffirmation of their value system against the outside enemy."⁴¹ Simmel states,

The group in a state of peace can permit antagonistic members within it to live with one another in an undecided situation because each of them can go his own way and can avoid collisions. A state of conflict, however, pulls the members so tightly together and subjects them to such uniform impulse that they either must get completely along with, or completely repel, one another. This is the reason why war with the outside is sometimes the last chance for a state ridden with inner antagonisms to overcome these antagonisms, or else to break up definitely.

The fighter must 'pull himself together.' That is, all his energies must be, as it were, concentrated in one point so that they can be employed at any moment in any required direction.

The well known reciprocal relation between a despotic orientation and the warlike tendencies of a group rests on this informal basis: war needs a centralistic intensification of the group form, and this is guaranteed best by despotism.⁴²

Regardless of how the individual may feel about the internal treatment received in his labor organization, he is aware of the strength he enjoys as a member of a powerful group. Thus he too can become very defensive when the group that provides him with vicarious power is threatened. In other words, he may criticise and

⁴¹Lewis A. Coser, The Functions of Social Conflict (Glencoe, Illinois: The Free Press, 1956), p. 90.

⁴²Georg Simmel, Conflict, trans, Kurt H. Wolff (Glencoe, Illinois: The Free Press, 1955), pp. 87, 88, 89, 92, 93.

possibly even bitterly oppose his group from the inside, but no one on the outside shall be allowed to threaten the structure. Obviously there is much involved in the inner-relationship of the members to their group, but this is not of major concern to this particular thesis. It would seem that this relationship is worthy of research.

The power of such a group as organized labor is not to be denied nor condemned. The power element exists in each group within the society. However, each group varies in the degree of power which it maintains and is able to wield. From Chapter II (The Relationship of Power to Labor Corruption) we see that labor enjoys extensive power. Thus the leadership manipulates, controls and shares in the power factor. The use of such power is necessary in everyday inter-group transactions. Yet it is this very factor of power which appears to be the central element in "corruption within the labor movement." Indeed it is not the use of power by the leadership which is corrupt, but the misuse of power for purposes not delegated that is the basis of labor corruption.

Purposes for which Power was not Delegated Means of Classifying Corrupt Actions

It would be an act of pomposity to simply state that labor corruption consists of the misuse of delegated power. At face value such a definition might seem to suffice until one asks the obvious question, "How can

we determine which acts are the result of a misuse of power rather than being the result of a legitimate use of power?" Chapter IV (Classifying the Forms of Labor Corruption) concerns itself with various means of classifying and identifying those acts which we may consider as being corruption.

Legal and social acceptance of the union system tends to negate the theory advocated by Petro and others of his ilk that corruption is synonymous with the whole of labor activity. This concept was rarely adhered to by those reviewed including McClellan from whose work Petro based his theory. McClellan did not condemn the labor system but merely those elements within it which he considered corrupt.

In reference to some of the narrow classifications advanced, it appears that some of these labeling devices fail to incorporate the myriad of actions which might be considered as corrupt acts. Often the emphasis is placed upon the more violent forms of corruption with a notable absense of the more complex (and according to Taft, the more abundant) forms. Chapter III (Forms of Labor Corruption) presents a compilation of numerous acts which are regarded by the majority of those reviewed as being the most common forms of corruption. Admittedly these are not the only ones which are possible yet their presentation depicts a continuum from physical

to more sophisticated forms. In the development of a workable definition, it seems apparent that such a definition cannot be narrow in its approach. The corrupt act which can range from physical violence to complex manipulatory methods will have to be represented by any definition advanced. It was with this intent in mind that we turn our attention to the system of law as a possible means of classification.

Upon investigation it appeared that the one method of classification which was most appropriate due to its degree of stability and relative accuracy as an indicator of the American society's mores is the legal system. Whether or not the inscribed laws are always enforced should not concern us. The fact exists that laws which affect the entire society are written and are good indicators of which actions are regarded as acceptable or unacceptable by the total society. The mores of the society are reflected in these laws. Realistically it must be admitted that some of the Customary laws are not always in tune with the rapid changes existing within the complex American society. However, enacted legislation is quite effective in keeping pace with anticipated social changes and in developing new mores and norms. The laws themselves can best define those actions which are considered adverse to the mores and acceptable norms of the society and thus the system of law provides the

most utilitarian means of recognizing and classifying acts of labor corruption.

Motivations Behind Labor Corruption

A discussion of possible motivating factors behind corrupt actions by labor leadership is in order at this point. The union official has been entrusted with his particular office to satisfy the needs and goals of the union membership. As long as his efforts are directed toward this end, regardless of the results, the membership is well served. However, when the union official veers from this goal, the membership is not being fairly represented. The result of corruption is that the personal goals of the leader are being satisfied while those of the membership are being thwarted. The personal gain satisfied need not always be monetarily oriented. A leader may abuse his position of trust in an effort to gain additional power. A facade may be effectively developed which provides him with the appearance of one who is able to manipulate industry for the good of the membership. The power of his position may then be directed toward unlawful gain as the membership mistakenly proffers support to this individual who appears to be cloaked in an aura of success and effectiveness.

In many subtle ways the labor leader is able to use the charisma of his office to affect agreements behind the scenes with management and yet appear to be

an arch rival at the formal bargaining table. Some bargaining sessions can be pure sham as the influence of the labor leader is being well preserved. Numerous means exist in which the leader can retain the power of his position without providing dedicated leadership.

From the results of the McClellan Commission report, it appeared in those cases cited that monetary gain was often the major goal sought by corrupt leadership. However, it may be that illegal monetary gain is far more easily gauged and detected than are other gains. Regardless, the attempt on the part of an official to satisfy personal goals at the expense of the membership becomes another integral element of labor corruption.

A Definition of Corruption Within The Labor Movement

From the previous elements analyzed, an attempt will now be made to advance a definition which incorporates all forms of labor corruption. It would appear from the previous review that a working definition may be stated as follows:

"Corruption Within the Labor Movement"--the misuse of power or office in any manner which provides illegal (as defined by Customary or Enacted law) gain for the union official at the expense primarily of those delegating the power and authority.

An attempt has been made in this paper to gather those elements, regarded by the authors reviewed, to be inherent in acts of "corruption within the labor movement."

A standardized definition of a concept tends to be essential if the concept is to be dealt with most effectively. It appears that corruption in a labor situation has been defined in numerous ways often as a result of the individual author's frame of reference. Those elements of corruption which appear to be most frequently cited have been gathered and considered as to their application toward a workable definition.

It is hoped that this work will provide a clearer understanding of the basic elements of labor corruption as incorporated in the works of those authors utilized. Also it is hoped that the definition advanced for "corruption within the labor movement" may prove to be a useful instrument in the search for a standardized definition which has universal application.

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