

**DC LERA hosts book talk by Stephen J. Silvia at Jobs with Justice in Washington, DC on  
*The UAW's Southern Gamble: Organizing Workers at Foreign-Owned Vehicle Plants***

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Using archives, collected primary documents, newspaper articles, and interviews, American University Professor Stephen J. Silvia shared some lessons from UAW organizing efforts at foreign-owned vehicle-production plants in the US South over the last twenty-five years. His research shows that organizing can still succeed in the South, but it has become much harder, despite greater transnational union cooperation, because of innovations by opponents of unionization both inside and outside of plants. His research covers 16 organizing drives at nine plants owned by four vehicle manufacturers: Nissan, Daimler Trucks North America (which owns Freightliner and Thomas Built Buses), Mercedes-Benz US International, and Volkswagen.

First, Dr. Silvia discussed unsuccessful organizing efforts at Nissan plants in Smyrna, Tennessee, and Canton, Mississippi. In Smyrna, Nissan's Head of Operations, Marvin Runyon, devised a repertoire of tactics that have become part of what Dr Silvia calls the "union avoidance playbook." It includes promotion of the idea that management and employees are "one team" (and a union is not a part of that team) by dismantling traditional hierarchies and segregation between management and employees that had been common in the auto industry (e.g., eliminating management cafeterias and parking), adding benefits previously available only to management such as reduced-rate auto leases, screening hires to exclude those potentially sympathetic to unionization, and deploying television monitors throughout the plant that run pro-Nissan and anti-union segments. The UAW experimented with mobile communications and websites in successive campaigns, but these were unable to overcome the new tactics of the union avoidance playbook. More than eighty percent of the workforce at Nissan's Canton plant was African American. Consequently, the UAW successfully built alliances with the civil rights community as a centerpiece of the organizing campaign. The union failed to organize the plant, however, because of difficulties within the plant. Many workers had experienced considerable poverty and economic instability before working at Nissan and deemed it too risky to get involved in an organizing drive.

Second, Dr. Silvia explained how international cooperation can help in organizing efforts by highlighting the UAW's success at Daimler Trucks North America in North Carolina. The UAW gained the support of the head of the Daimler works council to get a first contract at the Mount Holly plant and subsequently reached a neutrality agreement with Daimler management through the presence of a UAW official on the Daimler supervisory board to successfully organize three additional plants. It is notable that DTNA received few subsidies to build these plants. The North Carolina political establishment had little interest in them as a result.

Third, the case of the Mercedes-Benz US plant in Vance, Alabama, illustrates how a fissured workforce can undercut organizing efforts. A significant share of MBUSI's employees work for third-party temporary agencies rather than directly for the company. Therefore, these employees cannot legally organize as Mercedes-Benz employees. Notwithstanding UAW's many efforts to organize workers at the Alabama plant, the campaign never picked up steam because the compensation of Mercedes' permanent employees was well above the UAW's contract rate and they were never laid off. A promise to convert individual temporary workers into permanent

employees helped to keep that segment of the labor force quiescent despite low compensation and precarious employment. In practice, however, few temporary employees became permanent. The Mercedes-Benz case also demonstrates the limitations of transnational employee cooperation. The German Metalworkers union and the Daimler works council strongly supported unionization, but a determined Daimler management thwarted the effort nonetheless. This case also showed that foreign firms with reputations for cooperating with labor in their home countries often do not do the same when operating in the United States.

Finally, the Volkswagen plant in Chattanooga is the most complicated case. It demonstrates the power of massive state subsidies and local political establishments to fight unions. The CEO of Volkswagen agreed with Tennessee politicians not to help the UAW during negotiations over a substantial subsidy package to build the plant. Volkswagen management did want a works council there however because it had works councils at all its plants worldwide except for China and it used works councils to obtain employee consent regarding major decisions. The workers' side in Germany was not wholly united. VW management discovered later that U.S. labor law only permits employee bodies with management support at unionized workplaces. So, VW management adopted a policy of "positive neutrality" in the first unionization effort in 2014. It insisted that there be a union recognition election but helped the UAW in subtle ways. When Volkswagen management did not fight unionization, the Tennessee political establishment stepped in and fought unionization themselves. They feared that unionization would make it harder to attract new investments and worried that the UAW would help their political opponents. The German metalworkers union was strongly supportive of unionization but Volkswagen's works council leaders were ambivalent because they did not want the UAW to dominate the works council. The UAW lost a close representation election. In January 2015, the UAW won an election for a small group of skilled mechanics in the Chattanooga plant. VW management refused to bargain, however, because this unit of 190 employees was too small and unrepresentative to serve as a foundation for forming a works council for the whole plant. Management hired a union avoidance law firm to contest the UAW and managed to mire the case in the judicial system for five years. The UAW made a third attempt to unionize the plant in 2019. This time, management used a union avoidance law firm and the full union avoidance playbook to fight the drive. The UAW narrowly lost.

During the Q&A, participants asked the following questions:

- 1- Why did the strategy of blending organizing efforts with the civil rights movement fail at the Canton, MS, plant?

The strategy was successful in getting folks to see the connection. However, the reason organizing failed was that a significant number of workers concluded that the risk of losing their jobs was too great to take a chance on organizing. There were very few jobs in the region with pay and benefits as good as at the Canton plant. Even if the pay and benefits were not as good as those in a UAW contract, few wished to risk losing what they had because there were few other comparable opportunities.

- 2- Did any of the workers become agents of the employers in anti-union efforts?

Yes, it is always the case at these drives that an anti-union group of employees will form almost immediately after the drive begins. The funding for these groups is typically opaque. The trail of financial support typically leads back to the local business community.

3- What is the union response to workers who refuse to unionize because they feel they have a good job and the possible benefits of having a union do not offset the risk?

Union organizers explain that the UAW contract is better, which is true for all the plants except Mercedes in Alabama. They also point to the poor safety record at many of these plants and make the case that a union gives workers greater voice in the workplace. Hiring practices that weed out potentially pro-union employees make organizing difficult, however. The UAW conducted employee focus groups in the mid-1980s and found that these workers were generally satisfied with their compensation and they did not want to risk losing their jobs.

4- In the report “[Job Quality and Community Well-Being in Mississippi and Alabama’s Manufacturing Facilities](#),” the authors found that non-unionized workers face many other issues besides wages, such as work-family balance due to rotating shifts. Are unions paying attention to these issues?

Yes, you see this at different plants. For example, in Volkswagen Chattanooga, the main discussion is still about company policy regarding paid time off, and at Nissan it is workplace injuries. The UAW pays attention to issues that resonate with workers to make the case for organizing.

5- Was Marvin Runyon’s Union Avoidance Playbook just an American innovation, or did Runyon borrow from the foreign company’s culture?

The union avoidance playbook is largely American, but Runyon was very aware that he was working for a Japanese company, so he brought to the plant as much of the Japanese workplace culture as he could, for example, having managers wear the same uniform as the rank-in-file. (Runyon’s successors did go back to wearing suits.) Initially, Runyon even tried to have all employees perform calisthenics together, but that did not last for long.

6- Any thoughts on the new UAW leadership? They seem to be focusing on the big three and not on the organizing.

Whenever a union has a group outside of the existing union establishment take over leadership – which is what happened with the election of Shawn Fain as UAW president and a new majority of the UAW International Executive Board – the first thing the new group needs to do is establish new connections throughout the organization. This is a difficult task. The new election rules for the UAW mean that from now on, the membership directly elects the president and the International Executive Board. Direct elections mean that the new leadership must show that it is doing a better job than the previous leadership if they hope to get reelected. This is why the focus of the union leadership is on the fall negotiations with Ford, General Motors and Stellantis, and insisting that new plants for batteries and electric vehicles are unionized and pay the UAW contract rate. The new UAW leadership is much more media-savvy than the previous one. The UAW has released professionally made videos and has been making more effective use of social media. Shawn Fain has hired as a new organizing director Brian Shepherd who comes from the

Service Employees International Union. This is a hopeful sign. The UAW recognizes that the pro-labor support of the Biden administration and the provisions of the Inflation Reduction Act will help their organizing efforts.