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## **U.S. Factory Worker Responses to Economic Globalization: Fatalism and Prospects for Cross-Border Solidarity**

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### **Introduction**

Political activists in the United States concerned with worker interests and international solidarity need to define a position on economic globalization, specifically U.S. trade policy. Progressives have taken stances that range from trying to keep as many manufacturing jobs in the U.S. as possible to letting jobs go in hopes of raising worker living standards in poor countries. Within this range are debates about labor and environmental standards in trade pacts such as the North American Free Trade Agreement (NAFTA), worker retraining and redistributive programs such as Trade Adjustment Assistance (TAA), democratic participation in making decisions, and regulating the pace of job offshoring.

As activists wrestle with defining an effective position, it is helpful to determine what the most affected Americans, manufacturing workers, think and do about economic globalization, and which responses have potential for progressive organizing. This study investigates one trade-impacted factory in Milwaukee, Wisconsin, and how the workers reacted to management's announcement of massive layoffs and possible closing. I found fatalism and individual solutions, but also engagement in the fair trade movement and some glimmer of international solidarity.

### **The AGSM and differential worker response to layoffs**

The U.S. anti-globalization social movement (AGSM) seeks to challenge the transnational corporate trade agenda. A major focus is mobilizing workers around certain job losses attributed to trade policy. With labor as the largest contingent among 50,000 protesters,

the 1999 Seattle demonstration against the World Trade Organization (WTO) showed that the AGSM has had some success in organizing workers around trade-related layoffs. The AGSM attributes layoffs to congressional decisions and seeks to recruit these potentially organizable workers for lobbying or demonstrations, but it is not clear just from objective conditions how factory workers will react. Obviously, they are not all ready to take progressive collective action. The AGSM in the United States has slowed the “free trade” policy process, especially the Free Trade Area of the Americas (FTAA), but has not yet defeated major legislation.

The purpose of this case study is to understand the reactions of industrial workers facing layoffs, which they saw as related to trade policy, and their relationship with relevant social movement organization (SMO) collective action strategies. This study examined a mass downsizing experience related to U.S. governmental trade policy in one unionized factory: Milwaukee’s Master Lock Co. When such a life-changing event happens to over a thousand people of similar socioeconomic status, it is likely that the potential for political collective action is high. Several Milwaukee unions have held plant-gate rallies protesting trade-related job loss.

In a helpful study of U.S. workers in relation to the growing AGSM, Michael Dreiling (2001) examines the NAFTA battle of the early 1990s. Dreiling says that U.S. union and worker responses to the trade/layoff issue ranged from nationalism (“foreigners are taking our jobs”) to internationalism (“building cross-border alliances”). He also contends that seeming to be against trade in general was a weak AGSM position because too many people think they benefit from trade for that view to get majority support. The “race to the bottom” is a strong slogan, however, because certain aspects of trade policy appear to pit U.S. workers against foreign sweatshop workers to the benefit of global corporations.

Dreiling reports many slogans, demands and other ways of thinking about economic globalization, from the NAFTA fight through the 1999 Seattle WTO demonstration (paraphrased here):

- global labor rights
- an end to sweatshops
- global economic justice
- radically reforming the global economy
- fair trade
- human rights
- debt relief for the poorest nations of the world
- “just and sustainable” frame
- “Just Say No” and “Not this NAFTA” anti-NAFTA campaign slogans
- protection of the environment; “sustainable development”
- “corporate accountability” to make trade more socially responsible.

a critique of the market; submitting the market and capital accumulation to social needs  
national sovereignty; economic nationalist; the extreme nationalism of Patrick  
Buchanan

fears of job loss, the protection of our jobs,"they're taking our jobs"

threats to national sovereignty and/or local democracy from international agreements

corporate globalization as a common threat to society and nature

Several other writers have studied workers' responses, including blame and political reactions, to factory downsizing. Bluestone and Harrison found worker interpretations that did not pinpoint the company or government as a target, which could explain why collective political response to plant closings was less than activists might hope (1982). Zippay studied a group of displaced steelworkers and found no collective protest about their plant closing, and little collective action of any sort (1991, 2002). She says that most workers responded with personal, not political, efforts but that many felt remorse that they had not protested as a group. Phillips reports that when first notified of the Syracuse General Motors factory shutdown, many workers were angry(1998). Some blamed the corporation, some blamed politicians, and a few blamed the union for not doing more to fight the closure. He says the lack of a shared diagnosis for the closure may have suppressed any militant response against the shutdown. He also found that during times of plant shutdowns, it is common for workers to blame themselves for the closure.

In a study that brings together factory workers, economic globalization and life-changing layoff events, yet failure to mobilize, Weiner asks why Czech women workers, against expectation, did not resist their economic marginalization during the transition from "socialism" to "neoliberal" capitalism (2005). She finds explanatory power in the "market metanarrative," an "ideological manifestation" that can "subvert social action." Weiner also finds that the women workers perceive injustice by the state and by their employers, but that they direct ultimate blame for their postsocialist deprivation at an internal [self] rather than external [capitalist system] mechanism.

Her study is similar to mine in that workers with prior long-term job security (under union contract in my investigation) in short order became subject to threatened and actual layoffs related to governmental economic policy decisions, decisions that potentially could be reversed. Could some form of this neoliberal metanarrative also affect the Master Lock workers where, as with Weiner's subjects, it might "inhibit their ability to fully comprehend the causes of their exploitation or to envision an alternative future"? If also true of Master Lock (ML) workers, adoption of the market metanarrative would tend to diminish both broader vision and collective political action. Weiner also touches on a large issue for political mobilization: most people never participate in public political protest.

## Methodology

### The framing perspective: a useful tool

“Framing” is a concept increasingly used in several disciplines, including sociology and political science. The framing perspective for analyzing social change movements was first widely promoted by David Snow, Robert Benford and collaborators (1986, 1988, 1992). The framing perspective starts with individual political thoughts and actions, builds on many interactions to explain social movements, and finally illuminates societal change.

The framing perspective emphasizes persuasion and consciousness rather than economic structures or objective conditions. As elaborated by Snow and associates, the framing perspective counters the notion that interests and activism arise directly from a person’s social position or an objective social problem. Indeed, the same situation can be defined differently, and acted upon differently, depending on the meanings attached to it:

The framing perspective is rooted in the symbolic interactionist and constructionist principle that meanings do not automatically or naturally attach themselves to the objects, events, or experiences we encounter, but often arise, instead, through interactively based interpretive processes (Snow 2004:384).

By rendering events meaningful, frames function to organize experience and guide action, whether individual or collective. Framing can help interpret and direct emotion, outrage and passion. For an SMO to succeed, its framing must take a potential recruit from seeing a social problem as misfortune, to seeing it as unjust and solvable, and finally as requiring personal action in a collective way. Snow and Benford call these stages diagnostic, prognostic and motivational frames (1988:199–203).

### The Master Lock Company

I focused on workers from one factory threatened with displacement in 1999. The ML factory, a Milwaukee icon, was once a large, successful, independent company with a nationally recognized brand name. It was sold in 1970 by the founding Soref family to American Brands, now Fortune Brands. The story of this factory is similar to many other large, old, unionized, industrial plants in Milwaukee, once called the “machine shop to the world.”

The Milwaukee factory is mostly empty now after ML’s corporate parent shifted manufacturing work to Mexico and China over the last decade. American Brands had decided in the 1990s to move much of its diverse production to Nogales, Mexico, just over the border from Arizona. The process started for ML in 1997. The Swingline stapler division was already at full speed in the new Nogales plant in 1999; workers’ pay was about \$1/hr and they were not unionized (MacArthur 2000). According the ML internal documents, the pay rate was \$.90 per hour, plus fringes and overtime of \$1.10, for a \$2.00 average cost.

Most of the ML drama studied here occurred between the company’s layoff announcement on March 25, 1999, with the demand to reopen the contract for new

concessions, and the union's approval of the new contract on September 19. Employees were aware of NAFTA, global competition, and movement of work abroad. The company laid off nearly 800 (about 70%) of its wage workers because, as the owners explain it, this was the best way to remain viable while facing increasingly strong competitors with low-wage workers in poor countries (Gunn 2004). Although ML threatened to close during the 1999 contract negotiations, it is still open, and has even hired in recent years.

#### Workers and organizations

This retrospective case study focused on workers' interpretations of the trade-related layoff notice. The sixteen interviews included six nonactivists, four medium activists, and six activists and union officials who were leaders in the factory during the downsizing period. The majority of interviewees had left ML and had no formal connection to the union when interviewed during 2006–2007.

The ML union local, like most other unions, has times of both contention and cooperation with management. No external leftist group had a presence at ML in 1999, unlike during the last strike in 1980. Although other Milwaukee unions have had rallies or picket lines about job loss in recent years, the ML union did not do a big public protest event. However, according to my personal observation, it had above-average participation in community fair trade actions compared to other Milwaukee unions. During the prelayoff 1990s, according to interviews, ML workers attended broader AGSM activities such as an anti-NAFTA demonstration in a city fifty miles away, and the Wisconsin AFL-CIO's made a one-day airplane trip to visit Texas/Mexico border maquilas. After the layoff announcement, union activists participated in several AGSM events, including protests in Milwaukee, Seattle, Miami, and Washington, D.C.

In Milwaukee, unions and a broader AGSM coalition have organized frequent protest and educational activities about trade issues since the early 1990s. As noted above, a handful of the ML workers participated, but nothing near the 1100 impacted by the layoff announcement. The Wisconsin Fair Trade Campaign (WFTC) promoted activities in Milwaukee during the ML negotiation and layoff period about issues including the WTO, Kohl's Department Store sweatshops in Nicaragua, the World Bank, Fast Track Trade Promotion Authority, and the FTAA.

### **Workers' responses to the layoff threat**

#### Local frames and the global picture

Part of understanding individual framing is to explore what is inside and outside of the frame. As Snow notes, a widely known slogan can indicate a frame. But at ML, no union slogan or phrase about the layoffs was generally recalled. The general slogan most remembered by interviewees was "Buy American." Seven interviewees reported this slogan

and several say they practice it. The AGSM has moved beyond this frame, but offers no new slogan that has caught on, except perhaps “race to the bottom,” noted by only one person.

For a factory that was reasonably well-networked about important things, it might be expected that training Mexican workers in the Milwaukee plant or sending local workers to Nogales to train Mexicans would be well remembered by all. One might also expect that those still working at ML would by now have eight-years worth of information about the Nogales factory. Yet only a few vaguely recalled any contact between Milwaukee and Nogales workers, and knowledge about that distant factory was sparse. No one said anything racist or demeaning about the Nogales factory workers, and they are not seen as an enemy. They just seem to be outside the picture frame.

I suggest that the very strong “Buy American” frame promoted by the national and local UAW for decades has been deeply accepted, and that it reinforces the insularity of the union local, makes solidarity with Mexican workers a low priority, and renders details about the Nogales plant unimportant. Global solidarity seemed a low priority in thought or action among ML workers. “Buy American” is a frame that resonates between the individual and SMO, and it motivated ML workers to shop a certain way, but it was also a barrier to international solidarity. Only four interviewees declared concern about foreign “sweatshops” or “slave labor.”

No one spoke of the UAW trying to organize the Nogales workers, or even building bridges between the Milwaukee and Mexican ML producers. Although the international UAW office now speaks of such solidarity, only the United Electrical Workers (UE) union has done much about it. In Milwaukee, the UE has brought several independent union members from the Frente Auténtico del Trabajo (F.A.T.—an independent Mexican labor federation) on speaking tours. To ML workers, their Chinese counterparts are unknown; the few relevant comments referred to China as an economic or military competitor.

The only thing the union members could reasonably hope to affect concerning the layoff announcement was bargaining with ML and getting politicians to pressure management. That got most of their attention, although the union also lobbied on broader trade issues such as the federal Trade Adjustment Assistance (TAA) program. But these practical considerations need not prevent dreaming of something really different.

As noted above, the organized Left once had a presence at ML that prolonged the last strike in 1980. A “new communist” group had members in the plant and in union leadership, and a local newspaper, *The Milwaukee Worker*, which they distributed at the plant. This group had dissolved by 1985. That 1980 strike was the last time ML workers undertook a large, militant public action together. Although several workers I interviewed recalled the strike, that sort of collective action had faded from this union local’s repertoire by the 1990s. Lack of an organized Left may help explain the rather limited frames held by many ML workers facing the 1999 layoffs.

Some frames or strategies that might have been expected concerning the layoffs and possible solutions were absent from my interviews. No one called for fixing the Democratic Party, building a new party, or voiding a trade treaty such as the hated NAFTA. When I asked who should take action about the general factory-downsizing problem, voters, politicians, or consumers were most often specified; workers or unions less so; and movements or parties not at all. Figuring out which frames are included and excluded helps explain a movement.

When I asked, “What should be done,” only a few took that as an opportunity to describe a grander vision. International worker solidarity or some bigger idea of organizing the economy in a more progressive way was mentioned by just four interviewees, mostly union leaders, despite global solidarity promotion by the UAW International office. Here is one of the few examples described in an interview of a bigger vision concerning globalization:

Everybody is trying to make a living in this world. If we don't reach out to all the other continents and try and have fair trade, not free trade, we're going to continue to leave somebody behind. The upper class, in their greed, they're leaving the middle class behind in the United States. Look at Mexico or China, the cheap labor over there. I can't see how we won't have revolutions in those areas. Sooner or later, the people are going to realize they're being used.—GM

#### Minor interest in the Fair Trade Movement

Although the union local never offered a major contentious collective action at ML, members could have taken options available outside the workplace, such as a variety of local fair trade rallies. The union promoted some and a few members participated, as noted above. Although antiglobalization diagnosis was common among interviewees, ML workers seemed to have little connection to the AGSM, e.g., to the Wisconsin Fair Trade Coalition, and had little expectation that the fair trade movement could help with their immediate or long-term problems. All were aware of NAFTA and trade policy impact, but few seemed optimistic about changing these policies.

What difference did it make that the ML layoffs were trade-related? One practical aspect is that the trade angle gave extra benefits; it is the preferred form of layoff thanks to TAA provisions. The union seemed to lobby energetically on trade policy, especially from 1999 onward; they wanted trade policies that kept jobs in Milwaukee and provided help for the displaced workers. I expected more anger and energy channeled into public activism about trade policy, but only around a dozen ML workers participated in public AGSM actions.

#### Collective action motivators and demotivators

Strong political grievances do not necessarily lead to participation in social movements. Social scientists sometimes describe this phenomenon generally as “constraints” (McAdam, Tarrow and Tilly 2001). But if protesters experience motivational impulses, perhaps the opposite, “demotivational” impulses, also exist. Such responses get in the way of

mobilization, but “demobilization” sounds like being active and then stepping back. What I found at ML are ideational elements that dampened the action impulse. I suggest a good word for these interpretations is “demotivators.”

All sixteen workers interviewed mentioned between two and nine of some thirteen demotivators that I identified, but the effect depended on the context. For example, if a worker held a “nothing can be done” demotivator frame about the ML layoffs when I asked about problem or solution, it stopped most action. But for someone who saw an actionable problem and solution, the decision to act or not may happen at a later step, i.e., when efficacy is weighed for a particular tactic. To take an example from ML, workers who agreed on a union-compatible problem definition and goal differed on which tactic, such as lobbying the mayor, was worthwhile. One demotivator here was the frame that “politicians don’t care about workers.” The preponderance of demotivators, however, may help explain why the union never did a big action.

Following are sample demotivator statements elicited as I asked about the layoff problem. These comments give a sense of the fatalism among some ML workers.

I don’t think anything can be done. I think it’s standard operating procedure for corporate America nowadays.—JW

We saw it as inevitable.—SS

We thought ML was gonna close. Nobody thought their job was coming back. . . . There’s nothing you can do. It was out of the union’s hands. They’ve [owners] got to make their money.—JS

I don’t know what could have been done,—AH

I don’t blame anyone. It was a business decision.—ED

[The cause of layoffs was] corporate greed. I didn’t blame anybody.—GM

We would never be able to compete with Mexico or China.—RS

I don’t think I can blame the company. They were looking out for their interests.—HG

I distilled just one contentious motivational frame related to their immediate struggle: “It’s right to fight ML.” Only five out of the total sixteen interviewees mentioned this frame, although perhaps some others thought it. With so many demotivators and only one motivator supported by a few persons, perhaps it is surprising that any action at all happened at ML, but it did. All respondents found motivation to do at least one union-compatible group action, if only attending union contract meetings, signing a petition or boycotting Wal-Mart.

Figure 1 shows an important locus of four overlapping anticontentious frames that interviewees mentioned frequently, and that help explain lack of militancy. The demotivator numbers are from my list of thirteen demotivators (not included here for lack of space).

DEMOTIVATOR	SAMPLE COMMENTS, PARAPHRASED
2.Cooperation with ML. =10 mentions	Hope for successful negotiations. Collaborate on outsourcing advice. Union urges members to keep working hard. Efficiency: ML employees work harder and smarter for better cost effectiveness.
6.Non-aggression with ML. =7 mentions	Strike or public protest might close the plant, or no positive effect. Union or workers should not be too pushy. ML workers avoid militancy to maintain good reputation to help get future jobs. Militancy failed at other factories. No sabotage, no retaliation against ML. Don't rock the boat.
8. ML is a business. =9 mentions	ML not at fault for layoffs. ML had to take drastic measures to stay in business. ML in economic trouble, perhaps desperate. Rapid deterioration of finances recently. ML must be able to respond to global economic pressures and make money.
10. ML downsizing inevitable. =14 mentions	If ML decided to close or downsize, it couldn't be stopped by the union or anyone. ML had already decided to leave, was on the brink, or would go within a few years. ML's irreversible decision to outsource had no solution. Job loss from ML in Milwaukee can't be reversed. ML is outsourcing despite efficiency in Milwaukee. We had no leverage with ML; Nothing can be done; What could we do?

Figure 1

Several demotivators are arguably part of the capitalist market metanarrative discussed above (Weiner 2005). All respondents expressed at least one of these demotivators. The strongest of these not already discussed is my no. 12, summarized as "Free trade is here to stay," with seven mentions. No interviewee specified "the market" or "capitalism" by name, so here one needs to read between the lines.

The focus of anger over the layoffs varied and many named multiple targets, e.g., ML management or sales department, a new boss, stockholders' greed, Clinton and pro-NAFTA

politicians, Wal-Mart and the “mart gods,” or a foreign competitor such as China. Such dispersion of ire could potentially hamper an SMO from moving on to focused action, as noted in the review of literature above.

## Conclusion

The layoffs were a life-changing experience for ML workers, but not in the way I expected. Some wanted to get out of factory work or seek higher pay, and saw the generous severance plan as an opportunity to seize. That was a realistic perception because most of the interviewees who left ML are doing better now financially, some in white collar careers. Those who did well on new jobs now see the layoffs as a favor.

What did not happen was a jump in radicalization or activism. A few interviewees got slightly more involved in the union or the AGSM after the layoff announcement. Their politics did not change much nor did they start spending major time in the fair trade movement. Voting behavior changed little, although many are more skeptical of politicians.

Although individual workers and the broader AGSM reacted to the same trade-related job loss, and developed roughly similar diagnoses, their strategies and actions mostly did not coincide. The implication for organizers is that the AGSM cannot assume interest and activism from factory workers losing their jobs to free trade. Response depends on the state of economy, workplace culture, leadership, networking, and more. The ML union members had collective consciousness, but mostly just within their union local. Action exhortations by outside groups, even with the workers’ interests at heart, may not resonate. Much more work is needed to realize the organizing potential around globalization issues.

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