

BUSINESS SCHOLARS SUPPORT THE EMPLOYEE FREE CHOICE ACT

STATEMENT OF SUPPORT:

We, the undersigned, are business school professors who are deeply concerned about the declining fortunes of working people and the shattered American Dream of shared prosperity. We understand the short-term financial benefits of treating employees as costs to be minimized, but we see the social and economic consequences in diminished lives and collapsed purchasing power. With the growing imbalance between the riches of corporate leaders and the eroding wages and benefits of ordinary employees, the middle class is disappearing.

The renewal of the American labor movement is critical to the reversal of this trend. Yet when workers try to form unions to improve their lives, they are often met with harassment and resistance from their employers. In fact, 30 percent of employers faced with an organizing effort fire workers for their support of a union. We strongly endorse the passage of the Employee Free Choice Act, which would help restore workers' right to organize without employer interference. The legislation would allow workers to win union representation through majority sign-up, help them secure their first contract, and toughen penalties against employers who violate their workers' rights.

As the National Labor Relations Act recognized, a democratic society should actively encourage the emergence of employee representation, not allow workers' voices to be stifled by overt or covert threats by employers. The only businesses imperiled by the return of a strong labor movement are those who thrive on the abuse of the worker and community. The government should not enable such abuse.

Employers who have chosen the path of union recognition and cooperation have often found benefits in lower turnover, higher productivity, and enhanced capacity for innovation. Respect for workers is more conducive to employee commitment and contribution than unilateral management control. The garment unions' transformation of sweatshops into humane and collaborative enterprises early in the twentieth century, the innovative design of UAW-Saturn cars in the 1990s, and US-based quality motorcycle production by Harley-Davidson today all demonstrate the potential of union-management partnership.

The provisions of the Employee Free Choice Act mirror successful strategies already in use by well-known employers such as telecom giant AT&T, healthcare leader Kaiser Permanente, and others. These companies practice voluntary recognition of unions through majority sign-up and have negotiated generous contracts with their unions.

The enactment of the Employee Free Choice Act would advance workers' right to organize, boost the prospects for progressive union-management partnerships, and help to create an economy that benefits all Americans.