

# Labor vote at Tennessee VW plant shows need for organizing strategy

**O**rganizers throughout the U.S. labor movement know the challenges that often come with attempting to unionize a factory or industry. Nowhere is this truer than in the southern states, where a combination of “right-to-work” laws and a historical hostility to unions has effectively limited organizing in the region.

But this drive suffered a setback when workers voted in mid-February 712-626 against joining the UAW. Despite company neutrality, outsiders from conservative political organizations worked to swing the election in their favor.

## Works councils

This was no ordinary union vote. In voting on traditional union representation, the VW workers also were deciding whether to form a works council. In Germany, works councils are legally mandated and work for the benefit of both workers and the company. They facilitate finding ways for management and labor to work together on a range of issues, including benefits, work hours and plant closings. Members of the councils are elected by non-management employees but are paid by management.

Works councils allow workers to be equal partners in the affairs of the company, which cuts down on the sorts of egregious violations of worker rights that one sometimes finds in the United States. For example, in Germany it is harder for a company to abandon its workers for cheaper labor overseas. A plant closing would have to go through levels of negotiation between management and the worker representatives on the works council, which acts as a disincentive for the company to make radical decisions on a whim.

The Tennessee plant is the only VW facility in the world that does not have a works council. Part of this has to do with U.S. labor law, which does not allow management to financially aid or dominate a labor organization. The only way a works council was going



One of the billboard ads posted to sway the United Auto Workers vote at the Volkswagen plant in Chattanooga, TN

The United Auto Workers (UAW) is attempting to reverse this trend and gain a foothold in several foreign-owned automobile manufacturing plants in the South. The most recent example of this has been the attempt to organize the German-owned Volkswagen assembly plant in Chattanooga, TN, which opened in May 2011. If successful, this would be the first foreign-owned automobile plant in the United States to be unionized. Many in the labor movement hope that this will create a domino effect for other foreign-owned plants, something that would have huge implications for labor relations not only in the South, but in the country as a whole.

to be formed was if the workers had independent representation in the form of a traditional union. Thus, VW executives and management were accommodating to the efforts of the UAW to organize the plant.

Workers who were pro-UAW at the plant also saw the advantages of works councils, both for the workers and the company. Michael Cantrell, an assembly line worker, told *The New York Times*, “It gives them a great competitive advantage if they do this. They have this standardized across the world. We feel we’re not as competitive if we don’t have this collaboration. This would be a paradigm shift.”

## Outside influence

What Volkswagen and the UAW did not anticipate was the level of outside influence. The conservative political forces responsible for this interference included Tennessee politicians and national anti-union groups.

At the national level, the most vocal opponent of the UAW organization drive was Sen. Bob Corker (R-TN), a former mayor of Chattanooga, who had played a key role in the 2011 opening of the VW plant.

When the 2,000 employees of the VW plant went to their first day of voting on Feb. 12, Corker claimed that if workers voted down the UAW, Volkswagen would produce a new mid-sized SUV at the Chattanooga plant.

These remarks were immediately rebutted by Frank Fischer, the chairman and CEO of Volkswagen Chattanooga. “There is no connection between our Chattanooga employees’ decision about whether to be represented by a union and the decision about where to build a new product for the U.S.

market,” Fischer said in a statement. Corker disgracefully doubled down on his claims by saying he had secret sources inside the company.

Corker was hardly the only political opponent of the UAW’s presence in Chattanooga. Gov. Bill Haslam, a Republican, publicly voiced concerns over the ability to attract other suppliers to Tennessee. State Speaker Pro Tempore Bo Watson and House Majority Leader Gerald McCormick, Republicans who represent the Chattanooga area in the state legislature, went so far as to say that if workers voted affirmatively, the state would no longer subsidize the VW plant.

The outrageous behavior of these politicians is also hypocritical. The same people who claim to detest government interference in the economy have intervened to affect the outcome of a union vote not opposed by company management.

## Appeal

This outside interference provoked the UAW to file an appeal of the vote with the National Labor Relations Board. The NLRB will investigate conduct during the election and decide whether there is cause to have another vote. “It’s an outrage that politically motivated third parties threatened the economic future of this facility and the opportunity for workers to create a successful operating model that would grow jobs in Tennessee,” UAW President Bob King said.

At the time this article went to press, the NLRB had not yet decided on whether a second UAW vote would be held at the VW plant. If a second vote is granted, the UAW hopes this will deter further interference from outside groups.

## A southern strategy

Both the UAW and the labor movement have much at stake in their efforts to organize the South. The UAW has lost three-quarters of its membership in recent years because of job losses in Detroit and elsewhere in the Midwest. By organizing foreign-owned automobile plants in the South, it may be able to regain some of its lost membership and influence.

More broadly, the growing labor force in the South presents the labor movement with a large pool of potential members. The region has the lowest unionization rate in the country, with North Carolina having just 3 percent, the lowest of any state. Tennessee ranks seventh, with 4.8 percent of workers unionized. This non-unionized workforce suffers from low pay and benefits.

At the AFL-CIO’s 2013 convention in Los Angeles, the executive council passed Resolution 26, a commitment to develop a strategy to organize the South, and other unions have made their own commitments.

Although Chattanooga shows that there still are major obstacles to overcome for labor to realize its potential in this part of the country, pro-union workers in southern factories are enthusiastic about broadening the movement. Workers at the Nissan plant in Canton, MS, say that the Chattanooga vote didn’t slow them down, but rather made them more determined. “People think that derailed us,” Chip Wells, an 11-year veteran of the 5,200 employee plant said to Joe Atkins of the blog *Labor South*, “but we think it made us stronger.” **PR**