

EMPLOYMENT-RELATED SOCIAL BENEFITS, WORKERS' FREEDOM OF ASSOCIATION, AND RURAL COMMUNITY DEVELOPMENT

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Envisioning Democracy

When NGO and policy people observe that low-income rural employees usually *won't* get involved in controversial civic issues, they are missing that employees, realistically, *can't* get involved without risking their life chances, assets, benefits (if any), and livelihood. U.S. employers have a disproportionate degree of control over rural employees on and off the job; contingent labor arrangements have made working even more precarious; and the U.S., unlike western European countries and Canada, lacks an effective checks-and-balances system among the structural economic categories of labor, business, and the state.

Instead, we have employees looking over their shoulder, and rural communities in bitter fights over community well-being issues that should not be mutually exclusive in a rich developed democracy. What if local mill workers could also be environmentalists, or engaged in community forestry dialogues, whether or not their employer agreed with their position?

What if health care were available to everyone in a rural community? What would this mean for education, the local health care economy, and the ability of small businesses to retain top employees? What if recent immigrants and U.S.-born low-income contingent employees chose to become allies in pursuing workplace monitoring that protected the rights of each? What if the next step could be that resort and recreation workers were able to question the environmental policies and working conditions implemented by their employers?

How employees—as *community* members—can participate, or are constrained from participating in U.S. rural *civic* society (as well as economic society) shapes the parameters of rural civic debate and policy. Freedom of association to identify critical issues, access to basic social welfare benefits such as health care and adequate pensions, and realistic leverage among low-income employees to affect the political system are fundamental to community well-being. At stake is whether a two-tier social system will foreclose the possibility of meaningful democracy for a large portion of rural residents, and seal in a persistent tier of non-participation and social-economic inequality as a structural inevitability

The lessons learned in the comparatively contained fish bowl environment of rural communities, where qualitative and quantitative measures are more possible on these issues than in complex urban environments, can also be of immense policy import in non-rural settings. The issues with which we suggest engagement are issues that underlie poverty and assets questions across all cultural and geographical sectors of the U.S.

Three categories of barriers

Employer unilateralism

Most income earners in rural natural resource regions in the U.S. are now employees. Large proportions, often the majority, are low-income. When employees in a rural area consider becoming involved in contested public debates, the first thing people do is look back over their shoulder and consider whether their employer (or their sisters or their sons, or their employers financial backers) will find such participation objectionable. Employers in the U.S.—in contrast to other developed democracies—have

unusually arbitrary and unilateral power over decisions affecting the well-being and freedoms of rural employees both on and off the job. There are several elements in unequal employer / employee nexus:

- The first is the default U.S. policy granted to employers to “fire-at-will” for cause or no cause.
- The second is the dramatic shift of U.S. labor law from protection of employees to protection of employers. With few exceptions, employees of private rural industries—and public employees in state or federal agencies that disallow public-employee unions—do not have a realistic power to organize on their own behalf (“concerted action” and/or union organizing for collective bargaining). While this has come to perversely be interpreted as a “special interests” concern, it is more properly understood internationally as an issue of democratic freedom of association and freedom of speech. Without the reality or realistic possibility of establishing a union, recourse for grievances and protection against arbitrary retaliation are denied employees of all kinds. Most employees are careful not to take public stands, whatever their position, in controversial subjects...unless they agree with their employer.
- The third is the default U.S. policy of virtual non-interference in issues of employee health care, supplemental pensions, vacations, and holidays. By substitution, the U.S. employer has become the arbitrary allocator of essential community well-being social welfare benefits through employer-defined benefit (or no-benefit) policies.
- The fourth is the almost total lack of effective and adequately funded monitoring programs for employee-protection regulations that do exist.

When these four elements of employer-centered power over employees are combined, the impacts are dramatic on rural people’s everyday personal lives and on the shape of democratic civic participation. The repercussions have an especially corrosive impact on relations among racial/cultural groups, and between immigrant and U.S.-born workers. What form of civic debate is possible when large sets of civic actors are constrained to self-protective silence or inaction? Can we call our rural system democracy if employees and their families need always to ask themselves if freedom of speech is worth risking an employers unilateral decision to cut off one’s basic livelihood and access to benefits?

Contingent Labor

The changing structure of work, with increasing numbers of non-standard, precarious, or contingent employees (contracted, sub-contracted, temporary, leased, short-term seasonal, etc.) makes employees even more vulnerable.

The structure of contingent labor was not taken into account in the foundational labor laws of the 1930s. There were exceptions: garment and construction work was granted some atypical options for union contracts (due to union innovations and strength); farmwork and domestic work was statutorily excluded from the Wagner Act (due to the weakness of representation of their constituencies). Industry, domestic and international, has recognized the “just-in-time” advantages of contingent labor, and industry journals reflect awareness among business leaders that temporary and contract, etc., arrangements insulate the parent company from many employer responsibilities. They also weaken or cancel the ability of employees to organize in their own protection.

Monitoring structures are almost meaningless in contingent labor situations, even when such monitoring programs are adequately funded through, for instance, states’ Department of Labor. The fragmenting of the work, and the fragmenting of the workers makes tracking and recourse more difficult in an already employer-weighted system.

Lack of checks and balances

Although the historical memory in the U.S. has been largely obliterated—and we have lost even the vocabulary in rural circles to discuss these issues—it took the combined leverage of local and national unions in the U.S. as in Europe and Canada to curb the wielding of “fire-at-will” and establish high benchmarks of health care and decent working conditions (unions being the generic legal mechanism of employee’s concerted action). A high percentage of unions in an industry meant benchmarks were established for excellence in employee relations even if there were not a union at every workplace.

Without workplace freedom of association, employees cannot exercise economic-based political power—individually as a civic participants, or collectively—in defense of civic infrastructures of well-being. It takes a strongly-rooted system of checks-and-balances in labor-state-business governance relations in order to maintain community-wide health care, pensions, workplace safety, civic participation in controversial issues, and other social welfare benefits to remain statutorily protected and enforced, as they are in virtually all other developed democracies. Indeed, is it possible to call a system “democracy” if there is not the ability of “labor” to effectively participate in a checks-and-balances governance to counterbalance the power of organized capital (“business”) and the state?

Impacts on Rural Areas

If this situation affected only the livelihoods of workers and occasional public debates, it would be serious enough. The combination of “fire-at-will,” lack of freedom of association, and hanging both health care and livelihood dependent on arbitrary employer whim, and inability of employees to organize to leverage political weight has proved lethal to rural well-being. It also makes still-born or irrelevant many excellent NGO pilot projects to improve opportunities for low-income rural workers.

The Forest Service has removed or contracted out the work of its local employees (all non-supervisory of whom are unionized), the lumber mill unions are gone, grocery unions are essentially gone, and the health care benefits of public employees have been slashed. The overall impact of these changes on leadership pools and well-being in small rural counties has huge multiplier effects.

In rural areas, the decline of health insurance alone has impacted county and public school district budgets, the ability of rural hospitals and health services to stay in business, the ability to retain the most skilled workers in a rural locality, and, overall, the shape of a rural community in terms of health and quality of education. Workers who can be fired-at-will can easily lose their assets—in rural areas this often means people’s homes and whole fabric of being in a locality. This reality holds whether a community retains primary extractive and agricultural industries, or switches to recreational service economies.

The synergy among all these issues has many aspects, but the dynamics of the employer / employee nexus is one of the most crucial.

Restoring checks and balances

It does not help that few unions—good, bad, or indifferent—have much interest in currently unorganized people employed by private employers in rural areas; that is, the vast majority of rural employees. Even if the unions were interested, or contingent employees were suddenly covered by labor law, crises within the “house of labor” make it an unlikely candidate for being the central pivot for democratic change in the rural U.S. Most unions have their hands full in urban areas; the farmworker unions are still struggling to maintain membership against great odds.

However important non-governmental organizations (NGOs) are as supplementing a checks-and-balances system, they tend to be proxy groups, in large part composed or and/or governed by NGO professionals. Employees (including employees of NGOs), as a cohort, are in a structural relationship to employers. NGOs, as organizations, are not. Ultimately, community-based NGOs are weak in that they don't have the legal economic/political clout to protect employees from retaliation that unions have. On the other hand, NGOs and foundations, precisely because they are not in a structural relationship, can act as politically effective independent advocates and provide strategic leverage.

For employees-as-civic-actors, it has taken combinations of social justice NGOs, policy activists—along with union clout—to establish health care benefits and adequate pensions as a benchmark to be met by business in the first place. It is the decline of this alliance that has helped dismantle the protections of better-paid employees, with multiplier effects across public budgets, urban and rural. A further casualty is memory of the intersecting history of U.S. social welfare benefits, labor law, immigration, freedom of association, and, in this instance, rural development.

The rise of independent community-based NGOs that organize for workers' rights in alliance with other community institutions are often re-pioneering democratic processes of participation. Unions, besides facing a generally hopeless political landscape, wrangle with divisions between top-down business unions and more democratically-oriented unions. The most forward-thinking people among organized-labor leaders and workers are looking for a new vision of pursue employee's rights to concerted action (the generic description of unions) with revitalized democratic processes across culture, gender, and language. The combination of community-based NGOs, plus these questioning union activists, is a hybrid alliance of great promise.

In the meantime, because organized labor is struggling and, practically, can't be interested in rural resource areas, NGO networks—such as community forestry— need to “grow their own” labor experts from within. These natural resource-savvy people can build a sophisticated knowledge of the legal structures of labor, including contingent labor, but hopefully be able to glimpse rural futures that are foreclosed by the current political situation suffocating organized labor. It is time for coalition and independent creativity, both.

Role of Foundations and other Rural Development Funders

Shift in thinking

One of the pivotal shifts in thinking we need among foundations and other rural development administrators and practitioners is to grasp that business and entrepreneurship programs can have counterintuitive effects on employee democracy inside and outside the place of employment. Without attention to the employer/employee nexus as it affects freedom of association, health care, workplace safety, environmental protection, there is no real check on the expanding power of business owners over employees.

The relationship between successful business development (including working training, technology transfer, increases in small contracting, etc.) and expansion of civic participation among low-income employees is often an inverse one. I know from personal experience working as an employee in and speaking with hundreds of other employees in small rural businesses, that the working conditions and dictatorial power of employers within these small shops frequently make them the most unattractive places to work. These are the kinds of businesses that dominate natural resource-related arenas, including tourism, seasonal recreation, seafood, forestry, restoration, etc.

Indeed, we have already created a rural culture in which low-income people assume the door to democratic civic participation is already sealed shut, and will cease to even look for it, because people fear they may never be hired if they are labeled troublemakers. Immigrants risk getting established

(including deportation if undocumented) and losing livelihood; many U.S.-born people risk losing all assets as well as their livelihoods.

In community forestry, it is no coincidence that micro-contractors, truly-independent non-timber forest harvesters, and one-step-removed (and non-accountable) NGO or non-related-union-protected representatives of employees are the people active in public dialogues. When any of these people look over their shoulder, the face of an employer with arbitrary power to fire-at-will will not be looking back. Now that the few unions are mostly gone or ineffective, that employer face is virtually always present for low-income rural employees.

Employees-as-Civic Actors in Rural Development Strategy

It is in this context that we propose that foundations and other rural development entities institute programs to strengthen the civic democratic rights of rural employees, to deeply draw upon the history of labor relations and their consequences (freedom of association, health care, etc.) on community well-being in the U.S., and to fund studies similar to the famous Arvin/Dinuba (CA) “As You Sow” studies of decades past. We propose that foundations give such employee-as-civic-actors programs equal, complementary weight alongside entrepreneurial and generic civic leadership programs.

We are not naive about the political implications of proposing programs to address civic democratic rights of employees, such as freedom of association and access to health care, both which in the U.S. fall within “labor relations” and the arena in which unions were conceived as a countervailing weight to business. These issues will engage rural development practitioners in explosive political arenas of immigration, labor law, and social welfare policy.

It is precisely because foundations have more political insulation than agencies, universities, unfunded low-income community-based groups, or office-holders trying to fight the current tide, that foundations can seed inquiries and on-the-ground projects. Foundations can help NGOs and others bring sunshine onto these employee-rights rural development issues, as they have on other pivotal social issues, to shift the paradigms in which rural development is framed, and to help build realistic strategies for change.