A Comparison of Union Organization of White-Collar Workers in Sweden and the United States

Francis Joseph McVeigh
Loyola University Chicago

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A COMPARISON OF UNION ORGANIZATION OF WHITE-COLLAR WORKERS IN SWEDEN AND THE UNITED STATES

by

Francis Joseph McVeigh

A Thesis Submitted to the Faculty of the Graduate School of Loyola University in Partial Fulfillment of the Requirements for the Degree of Master of Social and Industrial Relations

February 1963
ABSTRACT

A COMPARISON OF UNION ORGANIZATION OF WHITE-COLLAR WORKERS IN SWEDEN AND THE UNITED STATES
The purpose of this study was to try to determine why white-collar workers are so well unionized in Sweden and so little unionized in the United States. A comparative study of the situation was made, employing library research and a personal interview.

In 1960, 726,300 Swedish salaried employees, or about 70 percent of the 1,050,000, were unionized; in the United States, 2,200,000 out of 21,700,000 eligible white-collar workers, or about 11 percent, were union members. This thesis examines and analyzes the factors which help to explain this difference.

Historical, economic, social and trade-union factors in Sweden all played a role in the unionization of white-collar workers there. Historical factors were early recognition of unions by employers; overall acceptance of economic organization by the Swedes; favorable labor legislation; and establishment of the Folketshus (People's House) by unions in the community. In the United States historical factors impeded the growth of white-collar unions. Opposition of employers, individualism of white-collar workers and restrictive labor legislation were all historical factors working against the unionization of these workers.

Economic factors had an important influence on white-collar workers unionizing in Sweden but not much of an impact on such workers in America. White-collar workers here consider status
and respectability on their jobs generally more important than money or fringe benefits.

Social factors in Sweden such as employers' and employees' attitudes toward unions encouraged white-collar workers to unionize. In the United States, social factors such as middle-class attitudes of white-collar workers, employers and the community toward unions made organizing of white-collar people difficult.

Trade-union factors in Sweden such as the existence of widely read labor newspapers, extensive worker education programs, and highly organized foremen's and supervisors' unions, have created an atmosphere conducive to unionization of white-collar workers. Well-established white-collar unions are readily available to those eligible to join. Very little jurisdictional conflict exists between manual workers' and white-collar unions. Instead, a spirit of cooperation in organizing workers prevails among unions in Sweden. In the United States, white-collar workers have not had unions readily available, even if they wished to join one. There has not yet been a real concerted organizing drive aimed at white-collar workers, and such a project is long overdue if these workers are to be unionized. Jurisdictional squabbles exist between white-collar and industrial unions.

Union organizational structures are basically similar in the two countries, but one exception is a separate white-collar union federation (TCC) in Sweden. This separate federation played a significant part in unionizing salaried employees in Sweden.
The Swedish and American situations are not directly comparable because of divergent historical, economic, social and trade-union factors and Sweden is a much smaller country than the United States. But the Swedish experience indicates the need in the States for a concerted organizing drive among white-collar workers, a change in organizational structure, and expanded educational, public relations and publicity activities.
LIrE

Francis Joseph McVeigh was born in Hi-Nella, New Jersey, June 10, 1931.

He was graduated from Camden Catholic High School, Camden, New Jersey, June, 1949, and from La Salle College, Philadelphia, Pennsylvania, June, 1957, with the degree of Bachelor of Science.

Since June, 1957, the author has been employed as a staff member in the Editorial, Research and Education Departments of the United Cement, Lime and Gypsum Workers International Union in Chicago, Illinois. He began his graduate studies at Loyola University in July, 1958.

The writer has written a number of articles about social and labor problems, which have been published in "The Voice of the Cement, Lime, Gypsum and Allied Workers."
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CHAPTER I

INTRODUCTION

The employment of white-collar workers has expanded in every industrial country in the world at an unparalleled rate during the last sixty-one years. The same trend is apparent practically everywhere in the world. At the same time, the number of blue-collar workers has only increased slowly, or not at all. White-collar workers have multiplied at a rate that few could ever have foreseen. By their rise in number, white-collar people have upset the nineteenth-century expectation that society would be divided between entrepreneurs and wage workers. Few would venture to say today that the culminating point of white-collar growth has been reached, but most would agree that this development has had a far-reaching impact on the structure of all societies.


Definition of Term White-Collar Workers

The term "white-collar workers" is generally used to describe persons employed in three broad categories:³

(a) Professional, semi-professional, and technical workers. This group includes salaried architects, accountants, chemists, engineers, teachers, nurses, supervisors and various other specialists and technical personnel. Many are employed in administrative jobs.

(b) Clerical and kindred workers. This is the largest single group of white-collar workers in the labor force. This group includes workers such as secretaries, typists, file clerks, business machine operators, and related office jobs.

(c) Sales workers, who sell goods or services to business organizations and to consumers. This category includes both wholesale and retail trade employees.

Cutting across these groups are service workers. The service workers in trade, finance, public administration and the professions are generally considered white-collar.⁴


This term is not a precisely defined one, due to the existence of many occupations in employment categories which don't fit precisely into the white-collar categories listed above. Service workers in many jobs are in this shady area between white- and blue-collar. Some jobs also contain aspects of white-collar work, such as a foreman's job in a manufacturing plant. In the United States, foremen are not always considered white-collar workers, though in Sweden they are. They will, however, be included in this thesis since their position in the work structure and their middle-class attitudes toward unionism are very similar to other white-collar workers.

The term white-collar worker is used interchangeably with salaried employees, non-manual workers, non-blue collar employees, and other similar terms.

The distinction between white-collar and wage-worker is based in part on the "non-commodity producing" character of white-collar work. The Labor Economics Staff of the Bureau of Labor Statistics uses, along with "fixed payment by the day, week, or month," two other criteria: "A well-groomed

5Industrial Union Department, Labor Looks at the White-Collar Worker, Proceedings (Washington, 1957), 63.

6Solomon, p. 268.
appearance" and "the wearing of street clothes at work." 7

For purposes of this thesis, the term will exclude managers, head officials, proprietors and top executives not eligible for membership in any union or professional association that carries on the functions of a union.

Need for Further Study of Situation in United States

Since the United States is the leading industrial nation in the world, the trend toward employment of more white-collar workers is quite evident here. White-collar workers in the United States have more than quadrupled since the turn of the century. They have risen from 28 percent in 1900 to about 46 percent of the nonagricultural work force in 1960. By 1970 this percentage is expected to hit 48 percent. 8

Much has been written about this situation and its importance to the labor movement in the United States. A resolution passed at the American Federation of Labor-Congress of Industrial Organizations Convention in 1959 stated, in part, that "in view of the fact that the current major strength of the organized labor movement is found in the non-white-collar segment of our economy, this trend (toward white-collar

7Mills, p. 359.

employment) demonstrates the unquestioned need for concentrated attention to organizing among clerical, sales, service, technical and professional employees in both private and public employment."

A conference within the AFL-CIO to study this trend toward white-collar employment concluded that if the labor movement was to continue as an effective force in America, it had to organize the growing number of white-collar workers.

Because of this situation it is clear that further study is needed to determine the various factors at work affecting the unionization of white-collar workers in the United States. As a major part of this study, a comparative approach has been selected as the way of contrasting and pinpointing the various factors affecting unionization of white-collar workers. This approach was selected so that an analysis of the factors could be more sharply drawn and comparisons made, when set against the factors at work in a country, Sweden, where a high degree of unionization among white-collar workers exists. The primary research methodology employed in this thesis was


library research and a personal interview.

Limitations of Thesis and Comparisons

As do most theses, this one will have some limitations. Most restrictive of all limitations is the fact that it was not possible to visit Sweden to become familiar first-hand with the Swedish society, economy and union movement, particularly white-collar unionism. Another limitation of this thesis is the fact that the writer cannot read Swedish, which precluded the reading and gathering of information from books or other publications written in Swedish.

Attempts have been made, however, to overcome these limitations by a personal interview with an official at the Swedish Consulate who was familiar with the matters incorporated into this thesis. Also a relatively exhaustive search has been made for all material written in English about the trade-union movement in Sweden, especially white-collar unions. Letters were written directly to the white-collar union federation in Sweden, as well as to other leading groups in Sweden connected with the unionization of white-collar people.

There are of course limitations in comparing two apparently dissimilar situations in diverse countries as the United States and Sweden. This thesis will, however, draw the readers' attention to similarities and differences between historical, economic, social and trade-union factors in the United
States and Sweden. Some of them are sufficiently foreign to offer contrasts but still within the range of what is commonly called Western civilization so as to make comparison meaningful. Comparison, it is said, "when used intelligently, opens insights into one's own institutions and their functioning that are not easily obtained in any other way."\textsuperscript{11}

The validity of comparisons, in this thesis, between Sweden and the United States, is somewhat limited. Sweden is a relatively small country compared with the United States. It had a land area of 173,615 square miles, a homogeneous population of 7,500,000 and a total work force of 3,800,000 in 1960.\textsuperscript{12} All this has produced a country favorable to economic organizations and social traditions based on group organization. The smaller land area, population and work force have made organization on an economic basis more practical and easier to accomplish than in a country such as the United States, which had a land area of 3,608,787 square miles, a heterogeneous population of some 180,000,000 and a work force of about 68,000,000 persons in 1960.


Nevertheless, the fact of white-collar unionism in Sweden is "tremendously relevant" to the American labor movement today.13

The experience of the trade-union movement and white-collar unionism in Sweden cannot be dismissed as without meaning for the United States.14 Both countries have a long history of free, democratic trade-unionism; both nations experienced industrialization at roughly the same period in history; and their leading trade-union federations were each established in the late nineteenth century. In addition, both union movements experienced the same general trend from craft to industrial unionism; the growth in the percentage of white-collar workers in the labor force has followed parallel lines of development; and the unionization of white-collar workers has lagged behind -- in time and in numbers -- the unionization of other workers. Hence, there is some firm basis for pointing out that the unionization of white-collar workers in Sweden has some relevance to the United States.


Definition and Translation of Terms

The writer, for the most part, has avoided using special Swedish language terms. The following are special and significant terms used in the thesis, listed alphabetically, with their definitions, and Swedish wording in most cases:

Central Organization of Salaried Employees — Tjansteman­nens Centralorganisation (TCO) — the leading independent white-collar union federation in Sweden. It was formed in 1944 by the merger of two federations, one of which covered the private sector (founded in 1931) and the other the public sector (founded in 1937). There is no comparable labor federation in the United States.

Confederation of Swedish Employers — Svenska Arbets­guareforeningen (SAF) — the leading employers' organization in Sweden which carries on collective bargaining in behalf of its employer-members. It was established in 1902.

Confederation of Swedish Trade Unions — Landsorganisa­tionen i Sverige (LO) — the central federation of unions, founded in 1898, which represents about 70 percent of all organized workers in Sweden. This organization is comparable to the American Federation of Labor-Congress of Industrial Organizations in the United States.

Kronor — basic unit of money in Sweden. One Swedish kronor is equal to approximately 20 American cents.
National Union of Civil Servants — Statstjanstemannens Riksforbund (SR) — a minor independent labor confederation, consisting of certain officers and senior Civil Servants in Sweden, which was founded in 1917.

Salaried Employees — a term used in Sweden that generally distinguishes white-collar workers from other workers. For purposes of this thesis, the definition of the term will follow that of Fritz Croner. His definition is based primarily on the duties performed, which can come under any one of four types of work or functions, namely, managing, planning, administrative or commercial. This definition covers quite adequately the occupations which are generally termed "white-collar" jobs in the United States. However, since this study concerns itself with the unionization of salaried employees in Sweden, the term will naturally exclude top executives who are ineligible for membership in any union or professional association that carries on the functions of a union.

Swedish Confederation of Professional Associations — Sveriges Akademikers Centralorganisation (SACO) — a central federation of university graduates which acts both as a professional association and trade union for its members.

It was formed in 1947 and today represents about 75 percent of all professionally-employed university graduates.

Swedish Union of Clerical and Technical Employees in Industry -- Svenska Industrijanstæmmingsförbundet (SIF) -- the largest white-collar union in Sweden affiliated to the independent white-collar union federation (TCO).
CHAPTER II
UNIONIZATION OF WHITE-COLLAR WORKERS

In order to make a meaningful comparison of union organization of white-collar workers in Sweden and the United States, certain key measurements must be compared. These are:

(a) The number and proportion of white-collar workers in the labor force in relation to all other workers;

(b) the degree of white-collar workers unionized, in relation to the number of white-collar workers who are not unionized; and

(c) the relationship between the percent of workers unionized in all other sectors as compared with the percent of workers organized in the white-collar sector.

**Comparison of Number and Proportion of White-Collar Workers in Labor Force**

Sweden, like other industrialized countries, has witnessed in recent decades an enormous growth in the number of salaried employees engaged in manufacturing, trade, transportation and public service. During the 40 years between 1910 and 1950, the number of salaried employees in Sweden increased more than four-fold. They rose from eight to 27 percent of the gainfully
In the twenty-year period from 1930 to 1950, the number of salaried employees increased by 95 percent. Numerically, salaried employees rose from 425,000 in 1930 to 835,000 by 1950. Women accounted for 46 percent of all salaried workers. Salaried workers as a proportion of the total labor force increased from 15 percent to almost 27 percent. During this same period of time, the proportion of manual workers declined from 64.5 percent to 54 percent of the work force. At the end of 1957, there were over 1,000,000 salaried employees in Sweden out of a labor force of about 3 million, or roughly one-third of the total. By the end of 1960 the number of salaried employees had increased to about 1,050,000. The following table illustrates the growth in the number of salaried employees in Sweden since 1910.

---

1Croner, ILR, LXIX, 98.


3Information from a personal interview of the author with Mr. Ragnar Petri, Assistant Consulate General, Swedish Embassy, Chicago, Ill., February 19, 1962.
Table I

Salaried Employees in Sweden

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>105,000</td>
</tr>
<tr>
<td>1930</td>
<td>425,000</td>
</tr>
<tr>
<td>1950</td>
<td>835,000</td>
</tr>
<tr>
<td>1960</td>
<td>1,050,000</td>
</tr>
</tbody>
</table>

Source: Croner, 98, and 1960 Swedish Census figures.

Indications are that the number of such employees is increasing each year in Sweden, and this trend should continue into the foreseeable future.  

The Swedish white-collar force has made its biggest expansion in manufacturing, growing about 145 percent from 1930 to 1950. The number of manual workers per salaried employee, which was 10 in 1920, had fallen to 5 in 1950. Technical staff increased five fold, while sales staff grew three fold.  

The increase in salaried employees also has been considerable in other sectors. This applies particularly to State and municipal employees. Since 1928, the number of salaried employees employed by the State has more than doubled, and totaled about 250,000 at the end of 1960.  

---

4Ibid.  
6Interview with Ragnar Petri.
Growth of White-Collar Employees

in United States

A sizeable expansion in the white-collar sector of the labor force is also evident in the United States. In proportion to other groups, white-collar occupations have grown tremendously since the first decade of this century. In 1910, white-collar workers--professional, clerical, technical, sales personnel and managers--accounted for 31 percent of the non-agricultural labor force. In 1930, white-collarites (including managers) accounted for 37 percent of the work force; and, in 1950, about 41 percent. In 1950 white-collar workers numbered 12,482,000 (excluding managers) out of a total non-agricultural labor force of 44,738,000.

A Labor Department spokesman noted that "between 1950 and 1960 . . . white-collar employment rose 27 percent from 22.4 million to 28.5 million . . . reaching 47 percent of total nonagricultural employment." Moreover, this trend toward


greater employment of white-collar as opposed to blue-collar workers is sharp and clear, and will continue in the decades to come.\textsuperscript{10} It is interesting to note that 1957 marked the first time that white-collar workers exceeded blue-collar workers as a percentage of the work force. From 1950 through 1960 the white-collar group expanded 27 percent, while the production group (blue-collar workers) grew only 4 percent.\textsuperscript{11} Projections by the Bureau of Labor Statistics indicate that this trend will continue into the foreseeable future.\textsuperscript{12}

A major shift toward employment of white-collar workers has occurred in manufacturing industries. It is estimated that from 1948 through 1960 the number of production workers in manufacturing dropped almost 5 percent. White-collar employees during the same time grew from about 20 percent to a total of 25 percent of all workers in manufacturing.\textsuperscript{13}

From these figures it is apparent that the trend in Sweden and the United States is running in exactly the same

\textsuperscript{10}Ibid.  
\textsuperscript{11}Ibid.  
direction, with the United States having a somewhat higher percentage of the work force involved. A comparison of the overall trend toward white-collar workers in Sweden and the United States is shown in Table II, below.

**TABLE II**

**WHITE-COLLAR WORKERS AS A PERCENT OF TOTAL LABOR FORCE**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sweden</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>8</td>
<td>31</td>
</tr>
<tr>
<td>1930</td>
<td>15</td>
<td>37</td>
</tr>
<tr>
<td>1950</td>
<td>27</td>
<td>41</td>
</tr>
<tr>
<td>1960</td>
<td>33</td>
<td>46</td>
</tr>
</tbody>
</table>

2Source: Croner, 98; interview with Ragnar Petri; and Bureau of Labor Statistics.

**Degree of Unionization**

About one out of four persons in Sweden is a union member.14 Out of a total work force of about 3,800,000, 56 percent, 1,971,147 persons, are unionized. The overwhelming majority of all union members are in labor organizations.

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affiliated with the Confederation of Swedish Trade Unions (LO). Unions affiliated to LO, accounting for 75 percent of all union members in Sweden, claimed 1,485,735 members as of January 1, 1961.\textsuperscript{15}

White-collar workers in Sweden are organized in unions affiliated to four separate federations of labor unions -- the Central Organization of Salaried Employees (TCO), the Confederation of Swedish Trade Unions (LO), the National Union of Civil Servants (SR), and the Swedish Confederation of Professional Associations (SACO). The total membership and number of affiliated national unions in each of these four central federations, as of January 1, 1961, appear in Table III, which follows.

### TABLE III
CENTRAL FEDERATIONS OF UNIONS IN SWEDEN

<table>
<thead>
<tr>
<th>Organization</th>
<th>Number of Affiliated National Unions</th>
<th>Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Organization of Salaried Employees (TCO)</td>
<td>36</td>
<td>393,526</td>
</tr>
<tr>
<td>Confederation of Swedish Trade Unions (LO)</td>
<td>43</td>
<td>1,485,735</td>
</tr>
<tr>
<td>National Union of Civil Servants (SR)</td>
<td>39</td>
<td>17,067</td>
</tr>
<tr>
<td>Swedish Confederation of Professional Association (SACO)</td>
<td>34</td>
<td>57,212</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>152</strong></td>
<td><strong>1,953,540</strong></td>
</tr>
</tbody>
</table>

3Source: Fackforeningsrörelsen, p.49.

One feature of the Swedish labor movement which makes it unique is the high degree of union organization among white-collar workers. Of the 1,050,000 salaried employees in Sweden in 1960 over 70 percent were unionized. The leading white-collar union federation is the Central Organization of Salaried Employees (TCO).16 Starting out with 175,000 members in

16See Appendix II for union structure in Sweden.
1931, TCO had built up its membership to 393,526 as of January 1, 1961. TCO represents almost 40 percent of the 1,050,000 salaried employees in Sweden. There are many white-collar unions outside Sweden; but nowhere else, not even in the other Scandinavian countries, which are highly unionized, is there anything quite like TCO.

The proportion of organized employees to the total number of white-collar workers varies considerably. It is estimated that nurses, teachers, and army officers are completely unionized, while 85 percent of the salaried force is organized in the manufacturing industries. Only about 40 to 50 percent of the salaried workers are unionized in retail trade and commerce. This is one of the few sectors left in Sweden with a large portion of unorganized workers. This stems from the fact that consumer cooperatives dominate most of the retail trades and unionizing is difficult in these non-profit enterprises.

The extent to which Swedish white-collar workers are

18O. A. Lenison, Union Democracy, p. 84.
19Ibid. p. 85.
unionized is indicated from a statement appearing in a publication of SIF, the largest affiliate of the TCO. It revealed that membership stood at 115,000 in 1961, 82 percent of the number of employees (exclusive of foremen) within the field of SIF. 20

Most TCO affiliated unions are composed of salaried employees, whose jobs are directly comparable to white-collar ones in the United States. For example, the membership of SIF includes chief engineers, designers, time-study engineers, shop engineers, draftsmen, accountants, treasurers, bookkeepers, salesmen, stenographers, typists and telephone operators. The only non-eligible persons are managing directors and others on a high managerial level, such as top executives in charge of production, sales, and personnel. 21 Aside from the foremen's and Supervisors' Union, the Hotel and Restaurant Employees, and the unions representing officers and non-commissioned officers in the Armed Forces, all TCO affiliates can be considered unions of exclusively white-collar workers.

Not all unionized salaried employees, however, are in unions affiliated with TCO. A considerable number belong to the Confederation of Swedish Trade Unions (LO). Judging from

20 Adamsson, p. 5.
21 Ibid.
the names of at least five affiliates of the LO, it is apparent that this federation has organized a considerable number of salaried workers, but by no means the majority of those organized. It is, however, relatively impossible to determine how many white-collar workers this federation has organized, since it only reports its total membership, with no differentiation between salaried and wage earners. Assuming that the five LO affiliates which have names indicating a jurisdiction covering salaried workers are made up entirely of such workers, it can be ascertained that, at the end of 1958, these LO unions organized 256,495. These unions include the lower grades of salaried employees, such as communications workers, railroad clerks, postmen, and insurance agents. The State employees of these unions affiliated to LO have a special organizational subgroup, the Swedish Federation of Unions of State Employees, which had 154,870 members in 1958.

22International Confederation of Free Trade Unions, Directory of Labor Organizations: Europe, Chapter 26 (Brussels, Belgium, 1959), pp. 10-17. These unions are the Swedish Commercial Workers' Union, Insurance Agents' Union, Swedish National Municipal Workers' Union, Swedish Postmen's Union, and Swedish Telegraph and Telephone Workers' Union.

23Ibid.

24Aman, TCO, 1958, p. 5.
Two smaller trade union federations, the National Union of Civil Servants (SR) and the Swedish Confederation of Professional Associations (SACO), also have unionized some portions of the salaried employees. SR, with a total membership of 17,067, consists of certain higher-grade officers and senior Civil Servants. SACO is an organization for persons with an academic education, although these persons are also found in both TCO and SR. The member organizations of SACO function both as professional associations and trade unions at the same time. Collective bargaining activities are carried on each year by SACO affiliates, which leaves little doubt that they actually do carry out the functions and purposes of a trade union. SACO claims a membership of 57,212 university graduates, all of whom can be classified as salaried employees. About 75 percent of all professionally employed university graduates are members of SACO.

Its membership is increasing faster than that of any of the other three central union federations in Sweden. This is quite natural in view of the fact that employed university graduates are increasing in number faster than most occupational groups.

25 Ibid.

26 The Swedish Confederation of Professional Associations, Swedish Professional Associations as Trade Unions (Stockholm, Sweden, 1959), p. 4.

27 Ibid.
Table IV that follows lists the names of the Central Federations of Unions in Sweden, together with the number of salaried employees organized into unions affiliated to them, as of January 1, 1961.

**TABLE IV**

**NUMBER OF SWEDISH SALARIED EMPLOYEES UNIONIZED**

<table>
<thead>
<tr>
<th>Central Federation</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Organization of Salaried Employees (TGO)</td>
<td>393,526</td>
</tr>
<tr>
<td>Confederation of Swedish Trade Unions (LO)</td>
<td>258,495</td>
</tr>
<tr>
<td>National Union of Civil Servants (SR)</td>
<td>17,067</td>
</tr>
<tr>
<td>Swedish Confederation of Professional Associations (SACO)</td>
<td>57,212</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>726,300</strong></td>
</tr>
</tbody>
</table>

*Source: Fackforeningsrörelsen, p. 49.*

The figures for LO are for 1958 and are estimated as indicated previously; later figures are not available.

**Total Union Membership in U. S. Labor Force**

In the United States there is a much smaller degree of workers unionized as compared with the Swedish experience. About 23 percent of the total work force in the United States was organized at the end of 1960, the latest year for which
official government figures are available. About one out of three employees in non-agricultural jobs was a union member. Slightly over 18,000,000 workers belonged to unions affiliated to the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) or to a number of small independent federations or national unions. At the end of 1960 over 80 percent of unionized workers, 15,000,000, were in AFL-CIO affiliated unions; the other 3,000,000 in independents.

Total White-Collar Membership

According to reports from 125 unions, supplemented by Bureau of Labor Statistics estimates for 59 unions, approximately 2,200,000 union members in 1960 were white-collar workers, out of about 21,700,000 eligible for organization (excludes managers). Therefore, the number of white-collar workers organized in 1960 represented only slightly over 10 percent of those eligible for unionization. This means

29. Ibid.
30. Ibid.
31. Ibid., p. 1305.
32. Industrial Union Department, Selected Tables, p. 6.
about 90 percent of the white-collar work force in the United
States is not organized. A number of unions which provided
the figures for the Bureau of Labor Statistics had difficulty
deciding what, if any, proportion of its membership was white-
collar. Unions in the United States generally do not keep
separate membership records for blue-collar and white-collar
members. It can, therefore, "be assumed that the figures sub-
mitted to the Bureau are often only rough estimates."33

White-collar members in 1958 represented approximately 12
percent of all members of national and international unions.
In 1960, according to the Bureau of Labor Statistics, white-
collar workers still accounted for only 12 percent of all
union members.34 The number of unionized white-collar workers
rose by only 8,000 between 1958 and 1960, though this was the
fastest growing sector of the work force during that time.35

A high degree of white-collar unionization exists in the
entertainment, newspaper, commercial airline, railroad and
communications industries, and also among postal employees.

33Cohnay, p. 1306.
34Ibid.
The degree of actual unionization to potential unionization in the other industries and services varies. In this respect it is quite significant that the one union in the non-governmental field which has office employees as its primary jurisdiction, namely, the Office Employees International Union (AFL-CIO), has a membership of just over 50,000 (out of a potential of nearly 8 million workers in 1958). In 1960 this potential had risen to 10 million.

However, some progress has been made in recent years in organizing white-collar workers in the retail and wholesale trades by the Retail Clerks International Association (AFL-CIO). But even though "membership in this field has doubled in recent years," only "10 percent of the 11,000,000 potential" are organized.

**AFL-CIO White-Collar Membership**

In the United States, AFL-CIO affiliated unions at the end of 1960 accounted for 9 out of 10 of white-collar union members. The AFL-CIO affiliates have only a slight number

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38 Cohany, p. 1306.
of white-collar workers organized in the trades, sales, offices, finance, insurance and government (except for the postal services). Clerical groups in all industries are still largely non-union.39

AFL-CIO unions have only a small foothold among engineers, draftsmen, technicians and professional employees. The American Federation of Technical Engineers is the leading AFL-CIO union with jurisdiction in this field. At the end of 1960 the AFTF reported some 13,000 members.40 The National Association of Broadcast Employees and Technicians (AFL-CIO) claimed some 6,000 radio and TV employees at the end of 1960.41

In addition, several thousand engineers and technical employees are represented by AFL-CIO industrial unions. Leading AFL-CIO industrial unions in this respect have been the United Auto Workers, the United Steelworkers of America, and the International Union of Electrical Workers. This latter union has established a sub-group within its organizational structure. It was originally called the White-Collar Workers Council but in 1954 changed its name to the Professional, Technical and Salaried Workers Conference Board. This


41Ibid., p. 16.
conference board is "charged with the responsibility of assisting and organizing the unorganized eligible workers and servicing them in production locals or in their own locals."\textsuperscript{42}

The IUE experience with this organizational arrangement has been unique. Facts indicate it has been relatively effective. The IUE in 1956, under this Conference Board, organized seventeen new salaried employees' local unions.\textsuperscript{43} In IUE District 4, which comprises New York City and New Jersey, there were 4,500 salaried employees in 1951. By early 1957 in that district more than 14,000 salaried employees had joined the IUE.\textsuperscript{44}

This Conference Board is a very unique organizational structure, and one to which further thought and study should be given if industrial unions of production-workers attempt to organize white-collar workers on a large scale.

The Air Line Pilots Association has been effective in organizing over 20,000 pilots. The Flight Engineers Union, and Stewards and Stewardesses Union also have organized white-collar employees in the airlines. These are all unions of professional employees within the AFL-CIO.

\textsuperscript{42}Industrial Union Department, \textit{Labor Looks}, p. 24.

\textsuperscript{43}Ibid.

\textsuperscript{44}Ibid.
AFL-CIO unions have organized to a high degree, the entertainment industry. Two AFL-CIO affiliates dominate this field -- The American Federation of Musicians and the Association of Actors and Artistes. The Musicians with a membership of about 266,000 and the Artistes, with a membership of 55,000, represent the vast majority of performing artists in the United States.\(^{45}\)

The American Newspaper Guild (AFL-CIO) have organized over 30,000 white-collar workers in the newspaper field. In addition to editors and reporters, the Guild has organized office employees in the advertising, circulation, and business departments of newspapers.\(^{46}\)

In the railroad industry and related fields, 300,000 clerical workers had been organized by the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees (AFL-CIO) by the end of 1960. This union's membership accounts for "a large proportion of the clerical work force in the railroad industry."\(^{47}\) This union, however, lost some 6,000 members between 1958 and 1960 due to

\(^{45}\)U. S. Department of Labor, Directory, pp. 14-24

\(^{46}\)Ibid., p. 24.

widespread layoffs, termination of employment and mergers of railroad lines.

In manufacturing, it was estimated by the Bureau of Labor Statistics that more than 250,000 clerical employees had joined unions at the end of 1958. In 1960 clerical workers in manufacturing numbered about 2 million, while the number unionized gained only slightly.

In the communications industry, the Communications Workers of America (AFL-CIO) represented about 283,000 operators, office employees and other workers at the telephone companies as of April, 1961. In March, 1961, the Communications Workers defeated the United Telephone Organizations (Ind.) in a National Labor Relations Board representation election. The victory made the CWA bargaining representative for 18,000 white-collar employees of the New York Telephone Company. The employees had been represented for about twenty years by the United Telephone Organizations (Ind.).

AFL-CIO unions have not been too effective in organizing white-collar workers in the banking, insurance or finance fields. Although some 24,000 insurance agents are unionized

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48 Ibid., p. 5.
49 Cohany, p. 1306
(mostly members of the Insurance Workers International Union, AFL-CIO), few clerical workers of insurance companies belong to a union. 51

Strides have been made by two AFL-CIO unions, the Retail Clerks, and the Retail-Wholesale Union, in organizing sales workers in retail and wholesale trade. Their strength is centered in the retail field in major eastern and western cities, predominantly in department stores and large grocery-chain stores. Since 1945 membership in the Retail Clerks Union has grown four-fold, and it reached 342,000 during 1960. 52 Nevertheless, the great majority of sales workers in retail, wholesale and other trades and services are still unorganized.

In 1960 almost 8,500,000 workers were employed by the Federal, State or local government. 53 Of this total, 824,000 employees were members of AFL-CIO affiliated unions. 54 Another 246,000 government employees were in unions not affiliated to the AFL-CIO. 55 Hence, out of the 1,070,000 government employees unionized, about 80 percent were in AFL-CIO unions.

52 U. S. Department of Labor, Directory, p. 28.
53 Industrial Union Department, Selected Tables, p. 1.
54 Cohany, p. 1306.
55 Ibid.
Of course not all of these government employees were white-collar workers. The Bureau of Labor Statistics reports that nearly 40 percent of all government employees unionized are white-collar.\textsuperscript{56}

In the Federal government, AFL-CIO unions have been very effective in organizing post office employees. The leading AFL-CIO unions in this area are the National Federation of Post Office Clerks and the National Association of Letter Carriers of the United States of America.

The overwhelming majority of the more than 2 million clerical and professional Federal employees at the end of 1960 were not unionized. The principal AFL-CIO union interested in Federal white-collar employees (excluding postal employees) is the American Federation of Government Employees. This union has organized some 70,000 Federal employees, and its strength since 1960 now exceeds the independent union -- National Federation of Federal Employees.

Of the more than 6 million State and local government employees at the end of 1960, a very small fraction of them were members of AFL-CIO unions. The leading union in this field is the American Federation of State, County and Municipal Employees. At the end of 1960, about 210,000 government employees

\textsuperscript{56}Ibid.
were card-carrying members of this union. The membership of this union doubled from 1950 through 1960.

Out of some 2,500,000 teachers in the United States at the end of 1960, only about 55,000 belonged to the AFL-CIO union chartered to organize teachers—the American Federation of Teachers. In December, 1961, the AFT won an election for collective bargaining rights for 45,000 teachers in the New York City public school system. It defeated its rival, the National Education Association, in the election by a two-to-one margin with some 30,000 teachers voting. The vote was 20,045 for the American Federation of Teachers, 9,770 for the Teachers Bargaining Organization (a group formed by the National Education Association), 2,575 for the Teachers Union (Independent), 662 votes for no union, and 67 void or blank ballots.

Independent Unions in the United States

In addition to AFL-CIO affiliated unions, there are a number of national and local independent unions which have no connection with the AFL-CIO. These independent unions at the

57 Cohany, p. 1302.

58 Information in a letter to Presidents of National and International Unions from Carl Megel, President of American Federation of Teachers, AFL-CIO, January 31, 1962.

59 Ibid.
end of 1960 accounted for about 3,000,000 union members in the United States.60 No precise figures are available on the number of white-collar workers who belong to independent unions. However, it is estimated that roughly one out of ten white-collar union members belongs to independent unions.61

The chief independent national unions are the International Brotherhood of Teamsters, Chauffeurs, Warehouse and Helpers of America, the United Mine Workers of America, and the Railroad Brotherhoods.

The Teamsters Union had an alleged membership of 1,800,000 in mid-1960.62 This group was expelled from the AFL-CIO in 1957 on charges of corruption and racketeering. Although predominantly a union of non-white-collar workers, officials of the union have expressed a determined effort to organize all workers, including white-collar workers.63 They have had some success in organizing white-collar workers, but precise figures are not available.

60Cohany, p. 1299.
61Ibid., p. 1306.
62"Officers' Reports to Eighteenth Convention Details Teamsters Progress," The International Teamsters, LVIII (August 1961), 50.
63Ibid., p. 51.
The United Mine Workers of America reported a membership of 600,000 at the end of 1960. This union was previously affiliated with the Congress of Industrial Organizations (before its merger with the American Federation of Labor to form the AFL-CIO in 1955). In 1944 it disaffiliated with the CIO and became an independent international union. It later joined the AFL but subsequently quit. Its ranks are open to all workers, not just miners, but few white-collar workers of any significance are organized by the UMW. Since 1958 it has lost a sizeable number of its members due to technological changes in mining, and by 1960 was not as significant a force in the trade-union movement as it was in years past.

The Railroad Brotherhoods consisted of five independent unions with a membership of 68,865 at the end of 1960. Only one small union, the International Association of Railway Employees, contained any white-collar workers. Since 1958 the Railroad Brotherhoods, with but two major exceptions (the Brotherhood of Locomotive Engineers, and the Order of Railway Conductors and Brakemen), have become affiliates of the AFL-CIO.

64Cohany, p. 1302.

65U. S. Department of Labor, Directory, pp. 22-28
Besides the main national independent unions, a number of small local independent unions exist in the United States. Most independent unions have small memberships. According to the Bureau of Labor Statistics, of the 50 independent unions in existence at the end of 1960, over half of them had memberships of 5,000 or less.66

The two main independent confederations which have organized predominantly white-collar workers are the Confederated Unions of America and the National Independent Union Council. About six affiliates of these two groups have solely white-collar members.

The three largest independent national unions of white-collar workers are in the communications, post office and government sectors, which AFL-CIO white-collar unions have also unionized to a better-than-average degree. These unions are the American Communications Association, the National Postal Clerks Union, and the National Federation of Federal Employees, respectively.

Prior to 1961, another independent union, the Engineers and Scientists of America, reported a membership of 26,783.67

66U. S. Department of Labor, Union Membership, 1960, p. 5.

The Bureau of Labor Statistics reported, however, that as of December 31, 1960, that independent union had dissolved for lack of interest, members, and money.
CHAPTER III

FACTORS IN UNIONIZATION OF SWEDISH WHITE-COLLAR WORKERS

Having viewed various background material about white-collar workers in Sweden and the United States, a look at some of the specific factors that have influenced the unionization of them in Sweden is in order. Specific factors affecting the unionization of white-collar workers in the United States will be discussed in Chapter IV. This is a rather arbitrary, but logical, division of the two countries' factors. By placing the various factors of each country in separate chapters, it was felt the comparisons would be set off in a clearer and more precise fashion. Where deemed particularly appropriate, passing reference will be made in this chapter to the situation in the United States.

This thesis will consider four basic factors that have influenced, in one way or another, the unionization of white-collar workers in Sweden and in the United States.

They fall into four broad categories: Historical, economic, social, and trade-union factors. The first three of these four factors are logical divisions of the subject followed by a number of authorities who have studied or analyzed
factors of union growth in the United States or other countries.¹ The last factor is one that, according to some literature, plays an important role in the unionization of white-collar workers in Sweden and the United States. As occurs in most divisions of items, there will be some unavoidable overlapping of factors from time to time.

**Historical Factors**

In Sweden four essential historical factors have influenced, to a substantial degree, the organization of white-collar workers. They are: (a) employers' early recognition of unions; (b) overall acceptance of organization by the Swedes; (c) favorable labor legislation; and (d) establishment of the Folketshus (People's House). In presenting these various historical items, no attempt will be made to weigh or evaluate the exact extent of influence they have had on white-collar unionization. Suffice it to say that these historical events have exercised a substantial effect on white-collar organization.

a. **Employers' Early Recognition of Unions**

With the formation of the Confederation of Swedish Trade Unions (LO) in 1898 and the employers' group (SAF) in 1902,

labor and management in Sweden formalized their relationship. Bitter disputes were commonplace in the early years of the twentieth century in Sweden. The situation came to a head in a general strike in 1909. This was the last time that organized labor or management attempted to destroy each other in open conflict.² The union lost the strike but it cleared the way for peaceful employer recognition of unions in the years that followed, since it demonstrated to employers that the unions were willing to strike if necessary, to obtain their goals.

But even before 1909, the first major steps had been taken toward employers' recognition and acceptance of unions. In 1906 the employers and unions, through their central federations, reached an understanding recognizing the employers' right to run their business affairs; and in return the workers' right to organize for collective bargaining was accepted.³

So even after the setback suffered in the general strike of 1909, the trade union movement in Sweden steadily grew. It had a favorable atmosphere for growth. Employers generally no longer questioned the right of workers to organize, and they accepted, in principle, the process of collective bargaining.

White-collar employees' organizations sprang up in this atmosphere, though they were not a part of the main stream of the trade union movement. They were mainly humanitarian, social societies, or purely professional associations, and did not engage in collective bargaining or deal with trade-union matters. The one exception to this was the Swedish Marine Engineers' Union, which won the first collective agreement for salaried employees in 1907. About 25 out of today's 36 TCO affiliated unions were founded prior to 1920. This would not have been possible had it not been for the general acceptance by employers of unions and employee organizations.

Their growth and development could have been nipped in the bud by militant, antiunion employers. However, although there was some opposition by employers to the unionization of their own salaried employees, employers in Sweden were generally used to seeing their employees unionize, and accepted unionism in theory at least.

This situation in Sweden in the twenties contrasted sharply with the situation in America, where little or no organizational activity was evident among white-collar workers. Instead, a system of benevolent paternalism and company unions dominated the scene in the United States. This situation was

4Aman, TCO, 1953, p. 4.
a far cry from the employers' general acceptance of organization and unionization in Sweden.

This historical tradition of acceptance of unions by Swedish employers went a long way toward making the unionization of salaried employees a reality. Allen Flanders rightly observes that, "the traditional attitudes of the bargaining partners must be explained by reference to the influence of history." Employers' attitudes toward unions today will be discussed in the social context in the latter part of this chapter.

b. Overall Acceptance of Organization

A second historical fact that has impinged on the unionization of salaried workers in Sweden was the overall acceptance of organization by the Swedes. This is especially true of organizations established to protect a person's or group's economic interests. Acceptance of group organization to improve and protect one's economic interests has a much longer historical tradition in Sweden than in the United States. For example, as far back as 1907, the higher ranks of non-commissioned officers in the Armed Forces formed a labor union to protect their interests. In 1918 the lower ranked non-commissioned officers followed suit. One can only imagine the public's

reaction to such an undertaking in the United States. But in Sweden it could be done because of that country's overall acceptance of organization.

Not only workers but practically everyone else is organized to advance their economic interests. Sweden is so organized economically that a person's life is taken up with membership in organizations essential to a phase of his economic well-being.\(^6\)

Obviously, the historical acceptance of group organization had an important impact on unionization of white-collar persons. This fact explains why no union-shop provisions prevail in Swedish union labor agreements. The worker does not have to be forced to join a union. He accepts joining a union as a matter of course when he goes to work for a company. It is part of his historical tradition.

In Sweden the emphasis has been placed on group means instead of individual means as the way of improving one's economic and social standing in the community. Truly, "group organization plays a prominent part in the life of the community in Sweden."\(^7\)

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\(^7\)Otto Nordenskiold, "The Organization of Salaried Employees in Sweden," *International Labor Review*, LII (July 1945), 40.
Much of Sweden's historical acceptance of group organization can be traced to its homogeneous population in which no sharp racial, national or religious differences have under mined working together in a group for a common objective. The size of the country and the work force has made group organization rather manageable and workable. In the United States no such homogeneous population or an easily manageable work force or small land area exists.

c. Favorable Labor Legislation

A third historical development that aided in the unionization of salaried employees in Sweden was favorable labor legislation. Of course, it is difficult to prove a direct causal connection between legislation and union growth, because of other intervening factors such as growth in the labor force, expansion of industry, etc. Nevertheless, leaders of unions organized in the field, attribute a significant and positive role to legislation in the unionization of white-collar workers in Sweden. The most significant piece of legislation in this respect was the Right of Association and Negotiation Act of 1936. With the passage of this law, collective bargaining, still rejected by some employers for their salaried employees, became firmly established among white-collar workers in Sweden. This

8Aman, TGO, 1958, p. 15.
law proved of utmost importance in the organizing and growth of white-collar unions. It encouraged union organization by specifying that only organizations could negotiate with employers about conditions of employment. It also helped to reduce whatever opposition existed among salaried employees against belonging to a union. 9

Under this Act, the employer had to respect the salaried employees' right to organize. It forbade an employer's attempting to persuade a salaried worker not to join a union or to participate in the activities of the union. This Act also made it mandatory for the employer to negotiate with the union.

The influence of this law is indicated from the remarks of a TCO official who said that, "only ten years after the Act had come into force the system of collective agreements had become generally accepted for salaried employees." 10

The Act's importance also can be ascertained from the growth of membership in Sweden's leading salaried employees' union immediately following passage of the law. In 1936 the membership of the Swedish Union of Clerical and Technical Employees in Industry stood at about 7,000. From 1936 through

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9Ibid., 1953, pp. 10-11.

10Ibid., 1958, p. 15.
1940, membership in this union more than doubled, rising to 15,000. By 1945 its membership more than doubled again, increasing to 36,500.\textsuperscript{11}

It would be no exaggeration to say that the Right of Association and Negotiation Act of 1936 did for Swedish white-collar workers what the Wagner Act did for factory workers in America.

d. The People's House

The fourth historical factor that had an influence on the organization of white-collar workers was the Folketshus (People's House). The Folketshus is a community hall built by the union movement in a town or city. The influence of this institution was somewhat indirect.

This is one writer's description of a Folketshus and the impact it has had in Sweden:

The institution of the Folketshus has played a very interesting part in the rise of the Swedish labor movement. In the early days a tactical measure often was to build a Folketshus as soon as possible in an unorganized community. It was not only a union stronghold, a place where meetings could be held without interference, but it was also the center of entertainment and enlightenment, a weapon against the dullness and boredom of the countryside .... The town is built around two institutions -- the church and the Folketshus. The People's House was built by the union . . . . It

\textsuperscript{11}Adamsson, p. 4.
is the scene of important union gatherings and special celebrations of various kinds, in short, the focus of the life of the town.12

By its very nature, it helped to create a community acceptance of unions in general. This, in turn, undoubtedly helped to shape the positive attitudes toward union organization that many salaried employees had prior to unionization. The Folketshus, which exists in most communities throughout Sweden,13 gave salaried workers an opportunity to be in personal contact with union members and leaders. Such an opportunity was not, and is not, available on such a wide scale in America. This is a crucial matter, for "being personally in contact with union leaders and union members . . . is a decisive factor in one's union attitude. In the absence of such contact . . . an antiunion attitude often results."14

These four historical items in Sweden -- employers' early recognition of unions, the people's overall acceptance of organization, favorable labor legislation, and the Folketshus -- all played a substantial part, directly or indirectly, in the unionization of salaried employees.

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12Childs, *This Is Democracy*, pp. 125-126.


Economic Factors

Until about 1914, the beginning of World War I, economic factors did not, for the most part, constitute a major problem for the majority of salaried employees in Sweden. They were a small, relatively tight-knit group. They enjoyed certain privileges of employment not available to manual or industrial workers. Hence, they did not generally feel any necessity for belonging to a union to protect their economic interests.

They felt no necessity for unions until salaried staffs began to grow in numbers. This was a product of the rationalization of work in offices and factories which has characterized Sweden since about 1914.

With the advent of specialization of work in the office, the old methods of work were discarded. Simple routine operations and mass production methods in offices became widespread. Salaried staffs with a general all-around training for carrying out responsible jobs were gradually replaced by more specialized ones, frequently engaged in purely routine work. Thus, a lesser degree of skills was necessary, and the security of the

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15 Much of the material in the following paragraphs has been taken from Valter Aman's pamphlet on "TCO: The Central Organization of Salaried Employees in Sweden" printed in 1953. This material has been supplemented with additional data from other sources as footnoted.
worker lessened. This same general change in the nature of white-collar work was also occurring about the same time in other countries of Europe. 16

The deterioration in the value of money during World War I and the first post-war years on the Continent, hit salaried employees extremely hard. They found it very difficult to regain their former real-wage level and to obtain salary increases corresponding to other groups in the community, especially unionized manual workers. 17 The impact of these economic conditions was significant in helping to bring about a change in the thinking of salaried employees toward unionization. One trade union official noted that "this deterioration of conditions of employment for salaried employees also radically changed their attitudes toward trade unionism. The faith formerly placed in the goodwill of the employers to do their best for their salaried staffs had suffered a serious setback. More and more of them began to realize that salaried employees had to do something about it themselves." 18


17 Nordenskiold, p. 41.

Salaried workers in the 1930's felt the effects of the economic Depression that hit Sweden and other countries of the world. During the Depression, unionized skilled workers were able to protect their wages under a collective bargaining contract. The salaried employees generally had no such assurances.

Because of the economic conditions of the thirties in Sweden, salaried workers came more and more to appreciate and see the need for organization. Without organization they had failed to obtain the benefits granted in union contracts. As individuals they were far more insecure in their jobs. Realizing all this, they came to recognize the need for collective bargaining. The vague "respectability" they clung to, as office workers, was not enough to make up for wages so low that they could barely meet their living expenses.19

With such economic factors as these at work, it was not surprising that salaried employees became more and more interested in joining existing white-collar unions.

Social Factors

In addition to the historical and economic factors in

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19Childs, This Is Democracy, p. 153.
Sweden that have influenced the unionizing of salaried employees, a number of social factors have had, and are having, an important effect. The leading social factor is the attitude of employers and the public toward unions and collective bargaining. Coupled with this are the attitudes of the salaried employees themselves toward unions. Lastly is the absence of laws in Swedish society which would impede or discourage union organization.

a. Attitude of Employers

As noted earlier in this chapter, employers generally recognized the right of labor to organize for collective bargaining early in the century. This tradition has not died, it prevails in Swedish society today. Yet Swedish employers have done more than simply recognize unions. Employers in Sweden accept collective bargaining, without any reservations whatsoever. They do not enter into it with the thought that it is merely a temporary expedient, a necessary evil that can be eliminated when the power of the trade unions has been destroyed. And the employers' associations exist not for breaking strikes or fighting the unions but for the primary purpose of carrying out collective bargaining. 20

20 Ibid., pp. 158-159
This factor cannot be overstressed. In such a climate of acceptance, unionism, manual and non-manual, naturally has grown and flourished.

Here are just a few comments of contemporary Swedish employers which reflect their attitudes toward unions and collective bargaining:

Collective bargaining is as much accepted business practice of this company as modern cost accounting. The fact that there is no other source of industrial employment within a radius of a hundred miles or more does not alter the process in the least. It is a part of civilized behavior.

Employers here are organized so that the unions can't play one off against the other. And if there are any difficulties that we can't settle at the plant, we can go to the central organizations. Everybody is gentlemanly in negotiations. I've never heard anyone raise his voice.

I just cannot understand the attitude of American employers toward industry-wide or regional bargaining, or toward employers' associations for collective bargaining. It may have taken us 25 years here in Sweden to get stability in union-management relations, but it was worth the effort.

These attitudes are typical of nearly all Swedish employers. It is socially-acceptable in Sweden to recognize unions and deal with them fairly. To fight a union so that one's

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21 Quoted in Childs, p. 131.
22 Quoted in Myers, p. 5.
23 Ibid., p. 23.
employees will receive less wages or fringe benefits is unheard of in that country. As a matter of fact, employers have come to look upon the wages, fringe benefits and working conditions they provide in their firms as a mark of social distinction in the community. Swedish company executives cannot make huge salaries due to taxes, and they are rather ashamed to talk about incomes, or to spend lavishly on themselves, under a labor government. But it is socially acceptable to do things to improve the condition of working people. The employer who can point to fine new housing, company lunchrooms and shining new washrooms is "a man of standing" in society. If he can show that he has done more for his employees than other employers, he feels he is in a rather special category.24

Such contemporary employer attitudes, which readily accept collective bargaining and unions as socially desirable, clear the air of many fears and doubts that an employee may have about joining a union or taking part in union activities because of employer disapproval. Salaried employees, since they tend to identify themselves close to management, are often influenced by their employer's attitudes. Salaried employees in Sweden are no exception.25

24 Ibid., p. 91.
b. Attitudes of Salaried Employees Toward Unions

Closely allied to the social influence of employers' attitudes toward unions are the attitudes of contemporary white-collar workers themselves toward unionization and group organization.

As mentioned in previous chapters, group organization was traditionally universally accepted in Sweden. This prevailing attitude in society today is reinforced for salaried employees by the presence of a large, effective, socially-accepted, and respected trade union movement; a trade-union movement committed and dedicated to organizing all salaried employees; a trade-union federation with the means and the man-power to carry on large scale effective organizing campaigns. All this exercises a powerful influence on the attitudes of white-collar workers toward unions. For, regardless of country, where a social tradition of group organization is lacking and where prejudice against union organization exists, white-collar workers' attitudes are "unenthusiastic" toward unions.26

This attitude of acceptance of unionization, indicated by society's overall acceptance of group activity and by the

large percentage of white-collar workers who voluntarily belong to a union in Sweden, has helped to produce a group consciousness among present-day salaried employees. Several authors have suggested that group consciousness among white-collar workers is a necessary ingredient of effective unionization. 27

Today salaried employees in Sweden are conscious, for the most part, of the fact that their interests are best served by collective action. This attitude includes the possibility of striking as a means of obtaining their contract demands. In 1946 there was a major strike threat in banks in Sweden. The Bank Employees' Union (TCO) issued strike notices to the employers and only the appointment of a special mediation commission by the Government prevented the strike. 28

This strike threat in 1946 was another turning point for white-collar unions. It was a concrete manifestation of the salaried employees' attitude toward strikes. It helped to remove much of the "remaining, old-fashioned view" that salaried employees had no reason to back up their claims for

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improved conditions with the same means as used by manual workers. 29

Nowhere in articles or books about the union movement in Sweden was there any indication that anyone -- salaried employees, employers, or the public -- considered unions corrupt or racket-ridden. The absence of this negative attitude toward unions or their leaders has not retarded membership in white-collar unions in Sweden. As will be discussed in Chapter IV, the presence of this attitude among white-collar workers may possibly have retarded union membership in the United States. 30 However, this is a factor which is relatively impossible to measure quantitatively as to its effect on white-collar union membership. Nevertheless, it is a factor which shapes the attitudes of some white-collar workers, and how they will react when faced with a choice of joining or not joining a union. 31

29 Ibid., p. 31.

30 Barkin, Decline, p. 43.

c. Absence of Restrictive Legislation

There is little question that legislation can play an important role in organizing workers. As mentioned above, the Right of Association and Negotiation Act of 1936 in Sweden (and the Wagner Act in the United States) had a substantial effect on the unionization of salaried employees. On the other side of the coin, no community, regional or national labor laws exist in Sweden which could in any way restrict or impede the organization of white-collar workers, including foremen. This, as will be discussed in Chapter IV, is at variance with the situation in the United States.

So these three social factors -- two positive and one negative -- of employers' attitudes toward unions, salaried employees' favorable attitudes about union organization, and the absence of laws that might restrict unionization, have all played an important role in the unionization of salaried employees.

Trade Union Factors

The last of the factors to be considered is what can be termed "trade union factors." These factors for purposes of this thesis will encompass: (a) the existence of a large labor press; (b) extensive worker education programs; (c) the presence of highly-organized foremen's and supervisors' unions; and
(d) cooperation between salaried employees' and manual workers' unions. These factors help to produce an atmosphere in Sweden that is conducive to unionization of salaried employees. They help to make society and potential union members more amenable to trade unions' points of view.

a. The Labor Press

The labor press has more effective coverage and influence in Sweden than in any other country of the world. The labor press competes effectively with daily commercial newspapers. In Stockholm the trade-union movement owns and operates two daily newspapers, "Stockholms-Tidningen" and "Aftonbladet." They have a combined daily circulation of about 370,000, nearly half the circulation of the city's largest papers. Most workers read only the labor press, which provides full coverage of current news as well as strictly labor movement news. According to available information, as of July 1, 1960, 191 daily papers are published in Sweden, of which 33 are owned by the labor movement. These daily labor newspapers have


33 Galenson, Union Democracy, p. 76.

a combined circulation of 858,000. This represents 22.5 percent of the total circulation of daily newspapers of 3,809,000. They cover all major cities in Sweden.

The influence and presence of daily labor newspapers in Sweden has a long history. The Swedish labor movement built up its own daily press in the last half of the 1880's. During that time four labor newspapers were founded. Workers' papers were from the beginning purely local undertakings, started and supported by the labor unions in the place of publication and surrounding area.

In 1936, LO and the Social Democratic Party agreed to establish the Labor Press Publishing Company, whose function was to furnish the workers' press with capital to carry on its work. The LO in 1946 established a press fund to help subsidize the labor newspapers throughout Sweden. In 1956 the LO Congress voted a small monthly assessment from each union member to finance the operations of labor's daily papers.

In addition to daily newspapers, the union federations and national unions all publish journals and a "constant stream of

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36 Ibid., p. 38.
pamphlets on special subjects. Union journals in recent years have been published more frequently than in the past. For example, in 1949, 39 percent of union members in Sweden received their regular union journals more often than once a month. By 1960 some 62 percent of union members received such publications.

Thus, within the Swedish trade union movement, there exists a well-financed, effective labor press; one which reaches out to the public and helps to shape its opinion and attitudes toward unions and their policies. The labor press actually competes in the marketplace of ideas with the commercial press. It reaches potential union members, manual and salaried employees alike. It has an opportunity through these public mass media to clarify and explain any misunderstandings or misinformation that persons might have about the union movement. In Sweden, the labor press has helped to create an atmosphere of acceptance of unions and their goals which has not been achieved by unions in many other countries, including the United States.

37Galenson, Comparative Labor, p. 123.
38Blomkvist, p. 40.
b. Workers' Education

The trade union movement in Sweden has a wide-spread effective system of workers' education. Needless to say, workers' education is an indispensable tool in making union members aware of the principles and goals of unionism. Without it, the labor movement risks stagnation. 39

The trade-union movement's education programs in Sweden are quite extensive throughout the country and have reached a large segment of the union membership. This has been particularly true of white-collar members.

Subject matter is broad, but the main emphasis is on trade union matters and leadership development. Other popular subjects cover social economics, taxation, social policies of the government, and the study of prices and quality of consumer goods. Today trade union and social subjects are about equally emphasized. 40

The widespread effectiveness of workers' education in Sweden has been testified to by those who have analysed it. 41


40 Aman, TCO, 1958, p. 18.

41 Myers, p. 32.
A large number of the participants in such programs have been white-collar workers. Here is what one author notes about the extent and impact of workers' education in Sweden:

The Workers' Education Association, formed in 1912, now has 16 affiliated organizations with a total combined membership of over 3,000,000. . . . In Sweden, as in England, "adult education" and non-labor agency "workers' education" are largely coextensive. The percentage of manual labor participation in the programs, has, as in England, declined in recent years, as compared with that of white-collar workers and housewives. The programs continue, however, to be under the auspices of the labor organizations, which include of course in their membership white-collar, civil service, and semi-professional workers.42

In a one-year period, the Workers Educational Association operated about 21,600 study circles with a total of 220,000 participants.43 White-collar members themselves, through TCO, have participated in many educational courses on trade unionism. TCO affiliated unions, in cooperation and collaboration with TCO's Salaried Employees' Educational Association (TBV), arrange annually some thirty courses that run for more than three days.44 Over a hundred shorter courses are run each

43Ibid., p. 35.
44Aman, TCO, 1958, p. 19.
year. All these courses usually include organizing techniques, conduct of meetings, public speaking, and collective bargaining procedures.

The Salaried Employees' Educational Association (TVB) was formed in 1935. It was established for "the specific purpose of instructing the members in certain subjects and of promoting the feeling of solidarity and loyalty towards the movement, so as to create an elite of pioneers and 'missionaries' who could build up new organizations and 'preach' the necessity of trade union work." It is evident from the high degree of union organization among white-collar workers that this educational work of TVB has had the desired effect.

The salaried employees union movement has for many years had its own school where various TCO affiliates and the TCO federation conduct courses of various kinds. The school is fully occupied throughout the year. In 1957, TCO purchased another school near Stockholm in order to expand the number of courses and make educational courses sponsored by white-collar unions available to more members.

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46 Ibid., p. 19.
From these facts it is evident that union education among salaried employees is relatively widespread and the administration and formulation of the courses highly centralized. Some of the TCO affiliates have educational directors or a Study Council to carry out educational activities. Nevertheless, most of the educational courses among salaried employees are carried out in cooperation with the Salaried Employees Educational Association (TBV).

c. Supervisors' and Foremen's Unions

No discussion of trade unions in Sweden would be complete without mention of the part that supervisors' and foremen's unions play in Sweden. The existence of these unions offers positive proof to salaried employees that their immediate boss does not object to union organization. It is concrete evidence that union membership need not be a stumbling block in the way of advancement to managerial positions within the company.

Everett Kassalow, writing about the organization of white-collar workers, points out that "successful unionism among non-manual workers in Europe has undoubtedly been enhanced by the existence of strong unions of foremen and supervisors, whose influence over certain groups of nonmanuals is considerable."47

This appears to be the case in Sweden, where employers, unlike most in the United States, do not strenuously object to their foremen or supervisors belonging to a union.48

About 90 percent of the foremen in Swedish industry belong to the Foremen's and Supervisors' Union. This organization, a TCO affiliate, was founded in 1905. As of January 1, 1961, it had a reported membership of almost 43,000.49

By the Right of Association and Negotiation Act of 1936, Swedish employers can require their foremen or supervisors not to be members of workers' unions. Nearly every collective bargaining agreement excludes them from membership in the workers' union. The same is generally true in the United States.

However, whereas the 1936 Act in Sweden gave legal recognition to foremen's unions, the Taft-Hartley Act of 1947 gives foremen the right to form unions but does not obligate employers to recognize or bargain with them. It offers a foreman or supervisor no legal protection for joining a union, as the law does in Sweden. As a result of this, the Foremen's Association of America is no longer an important organization in America.50

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48 Myers, p. 107.

49 In addition to this union, the Swedish Union of Foremen Printers claims a membership of 1,563 and the Swedish Union of Agricultural Supervisors reports 1,190 members.

50 Myers, p. 85.
The existence of trade unions of foremen and supervisors in Sweden has had a positive psychological effect upon salaried employees joining a labor organization of their own. 

**d. Cooperation Between Unions**

The absence of rival unionism and jurisdictional disputes between manual and salaried employees unions has contributed a great deal to trade union growth. The unions have not dissipated their financial and organizational resources fighting among themselves.

This cooperation goes back even before the formation of TCO in 1944. After 1936, when white-collar unionism began to make an impact on industries in Sweden, the white-collar union federation received the cooperation of the industrial unions in organizing office workers. The trade union federation of manual workers (LO) in the late thirties agreed to cooperate with the Commercial Workers Union in the organization of clerks and office employees in industry. The agreement stipulates that "the particular union enrolling the workers in the shop will collaborate with the white-collar union in organizing the front office." 

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51 Interview with Ragnar Petri.

52 Childs, p. 154.
In the relatively few instances where jurisdictional disputes have arisen between LO unions and white-collar TCO unions, the two union federations have laid the groundwork for settlement of jurisdiction between the unions involved. For example, agreements on jurisdiction have been reached between the Municipal Workers' Union within LO and the Union of Municipal Employees within TCO; and between the Commercial Employees' Union in LO and the Union of Commercial Employees in TCO. 53

Since 1948 a permanent committee has existed between the two union federations, LO and TCO. It handles all disputes which cannot be remedied through direct negotiations of the unions involved. This committee acts only in an advisory capacity, but, in most cases, its recommendations have been respected by the unions concerned. 54

With a rational system for working out the minor jurisdictional disputes which arise, the white-collar unions, have been able to concentrate their attention on organizing the unorganized.

53 Blomgren, Fackforeningsrörelsen, 4-5.
54 Ibid.
CHAPTER IV

FACTORS IN LACK OF UNIONIZATION OF UNITED STATES WHITE-COLLAR WORKERS

The factors to be considered in this chapter will be of an historic, economic, social, and trade-union nature. Again, no attempt will be made to measure the exact degree to which the factors mentioned have affected the unionization of white-collar workers in the United States. Suffice it to say, they have had a substantial effect on the lack of unionization among white-collar workers. At times there will be a slight overlapping of various factors at work. Where deemed appropriate, mention will be made of the situation in Sweden as explained in detail in Chapter III.

Historical Factors

Three historical factors have acted as roadblocks to substantial unionization of white-collar workers in the United States. These have been the traditional opposition of employers to all unions, the historical acceptance by Americans of individual initiative and action, rather than group action, to improve their economic position, and the existence of restrictive labor legislation. All three factors have played an historical role in keeping the unionization of white-collar workers at a
low level as compared to its potential and possibilities.

a. **Employer Opposition**

Employer opposition to unions in America over the last one hundred years is well documented. Historically this has impeded the development of all unions, including those of white-collar workers. Employer opposition has taken two tacks. One has been to fight belligerently and object aggressively to unionization of their employees. This has had its impact on white-collar workers who fear incurring management and supervisory displeasure. It is a truism to say that, "the known opposition of an employer to trade unionism among salaried employees may seriously deter the latter from joining unions." This does not mean that if employer opposition to unions vanished overnight, white-collar workers would clamor to join unions in droves. Nevertheless, from the statements above it is clear that employer opposition has had a substantial effect.

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3 Morse, Report of Director-General, ILO, p. 66.
on the unionization of white-collar workers in the United States.

There is a second way employers have historically frustrated the unionization of white-collar workers. This has involved the establishment of company unions, and adoption of personnel policies and fringe benefits to seriously undercut whatever economic or social appeal a genuine union might have for white-collar employees.

Historically, the most notable period for the establishment of company unions came in the twenties. During that period, company unions in the United States encompassed about two million members, "a far greater membership than such organizations had ever attained in any other country of the world." Of course, these unions were not all made up of white-collar workers, but a proportion of them undoubtedly were. A classic example of company unions among white-collar workers was in the Bell Telephone System. The company set up company unions which followed strict departmental and divisional lines of the firm. These unions, of course, had little or no bargaining strength even though all company employees were automatically members of these company unions. Through

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4Starr, p. 16.
this device, Bell was able to forestall genuine labor organization of its white-collar employees until such unions were declared illegal in 1937. Even today a number of these "independent" (company) unions still exist among white-collar employees of the Bell System.

On top of this has been management's dedicated "human relations" policies, springing either from sincere, genuine beliefs, or designed to undermine unionization of their employees. The groundwork for the human relations approach was laid in the late twenties and early thirties, centering a great deal around the world-famous "Hawthorne experiments." Gradually companies came to accept, more and more, the human relations approach.

In some cases, this approach has taken the wind out of the union's sails in appealing to white-collar workers to unionize.

One author sums up how some employers have used human relations policies to thwart the unionization of their workers, which includes white-collar employees:

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5 Joel Seidman et al., The Worker Views His Union (Chicago, 1958), pp. 144-145.
6 Ibid., p. 145.
7 Barkin, p. 18.
The "human relations" program has provided them with a sophisticated procedure and a blueprint. It has required improvements in the personal relations of supervision and management with employees, more communications, morale surveys, and often the creation of shop groups to give the employees an "occupational unity."

Many have met the workers' economic expectations and provided personnel policies and procedures designed to implant a sense of security, freedom of communications, and individual status that might otherwise be sought through union membership and collective bargaining. Addresses by personnel men at management meetings stress the success achieved in warding off unions by "beating them at their own game."

This traditional opposition of employers to unions, especially white-collar ones, has not abated appreciably from what it was twenty or thirty years ago, though today the means used to undermine unionization are a bit more sophisticated. For example, employers have used the "free speech" and other provisions of the Taft-Hartley Act "to intimidate the white-collar worker" and "convince him" that a union can do him no good. Continued opposition has come from employers in "promoting and protecting company unions intended to counteract the influence of the trade

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8 Barkin, pp. 19-45.

9 Ray Hackney, "Can White Collar Workers Be Organized?" I. U. D. Digest, II (Fall 1957), 58.
unions proper, and . . . engaging in intimidation."\textsuperscript{10} Employers strenuously oppose unionization of technical and supervisory personnel, even more than their other workers, since they consider unionization to be incompatible with the delegation of their own authority.\textsuperscript{11}

The white-collar workers in the telephone industry built their union in the face of strong employer opposition; from an employer considered to be "a model of industrial paternalism."\textsuperscript{12} Teachers have had to struggle against outright or subtle opposition from school administrators. One author noted that "many local school administrators . . . and college administrators have actively opposed the trend toward the unionization of classroom teachers."\textsuperscript{13} Another group of white-collar workers affected by the resistance of their employer to unionization has been government employees. "Union organization among these people has had, and continues to have,

\begin{itemize}
\item[Morse, p. 66.]
\item[Ibid.]
\item[Hackney, p. 54.]
\end{itemize}
strong resistance from administrators, elected officials and 'employee associations'."\(^1^4\) However, Executive Order 1098 was issued by President John F. Kennedy in early 1962 advocating recognition of government employees' unions by agencies of the Federal government.\(^1^5\) Whether this action will have a pronounced effect on government administrators' historical opposition to employee unions is difficult to say at this time.

Historical tradition dies hard, and this is the case with employers' opposition, whether out-and-out belligerence or a more sophisticated human relations approach, to convince their employees they do not need a union.

b. **Employees' Beliefs in Individualism**

A second historical factor impeding the development of white-collar unionism in America has been the white-collar employees' beliefs in individualism. Practically every piece of literature written about white-collar workers and their aversion to unions comes back to this traditional belief of white-

\(^1^4\) Barkin, p. 34.

cellarites in "rugged individualism." They have been, and are, traditionally middle-class in their outlook on the job. This means reliance on themselves to advance their own interests. Some professional white-collar workers have pointed out that "the American ideal, and in particular the middle-class ideal, is one of self-sufficiency and individual initiative, and, therefore, there is some subconscious feeling of shame attached to union membership." This belief has persisted among white-collar workers before, during and after the days of Horatio Alger.

C. Wright Mills explains how the white-collar workers' repudiation of unions is based on this long tradition of individualism. He notes that "the status psychology of white-collar employees is part of a 'principled' rejection of unionism, although it often has instrumental content as well: the hope of being judged by management as different from wage-workers, and so of climbing by traditional individual means."


18Mills, p. 312.
This long tradition in America of rugged individualism
 stil echoed in speeches by industrialists and political leaders today) is in direct contrast to the long history of acceptance of group organization in Sweden.

The large heterogeneous population, and size of the work force in the United States, coupled with the vast geographical size of the country, have played a part in making economic organization among workers difficult. The economic development and growth of various sections of the country at various stages in the history of our country, tended to reinforce reliance on and belief in "rugged individualism" rather than group organization as in Sweden. If large numbers of diverse workers became dissatisfied with economic conditions, they could move to other areas of the country. In Sweden, a relatively small homogeneous population and work force found no such alternative open to them, due to the limited habitable land and liveable climate. Instead, the Swedes were driven by necessity to improve their economic conditions through group organization.

c. Restrictive Labor Laws

A third historical factor, of more recent origin, has adversely affected the unionization of white-collar workers in the United States. This has been restrictive labor legislation,
the existence and interpretation of which has impeded the formation of white-collar unions.

Chief among these laws has been the Labor Management Relations Act of 1947, commonly known as the Taft-Hartley Act.\(^{19}\)

In 1947 the National Labor Relations Act was amended in three ways which have proven to be roadblocks to effective unionization of white-collar workers. First, Section 8c was added to the law so employers could express their views or say anything to their employees about unions as long as such expression contained no threat of reprisal or promise of benefits. Section 8c of Taft-Hartley states that "The expressing of any views, arguments, or opinions, or the dissemination thereof, whether in written, printed, graphic or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this Act, if such expression contains no threat of reprisal or force or promise of benefit."\(^{20}\)

Secondly, the law was revised (Section 9b) so that professional employees could not be included in a bargaining unit.

\(^{19}\)Barkin, pp. 20-23.

\(^{20}\)National Labor Relations Act, 1947.
with other workers, unless they specifically voted to be included in the larger unit. Section 9b of Taft-Hartley holds that "The Board shall decide . . . the unit appropriate for the purpose of collective bargaining . . . The Board shall not decide that any unit is appropriate for such purposes if such unit includes both professional employees and employees who are not professional employees unless a majority of such professional employees vote for inclusion in such unit . . . ."

Thirdly, foremen, who previously had legal protection to join unions and with whom employers had to bargain, specifically lost their legal protection under Section 14a. This section of the law reads that " . . . No employer subject to this Act shall be compelled to deem individuals defined herein as supervisors as employees for the purpose of any law, either national or local, relating to collective bargaining." Since white-collar unions are usually small and the least effective in dealing with employers, it is reasonable to assume that the greatest impact of these provisions has fallen on them. Solomon Barkin, writing about the impact of these amendments on the labor movement, points out that, "the

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21 Ibid.
22 Ibid.
provisions and application of the 'free speech' amendment of the Taft-Hartley Act . . . revoked most of the limitations placed upon the freedom of the employers to oppose unions . . . Moreover, foremen were removed from all coverage by the 1947 law so that their movement for independent unionization was nipped in the bud . . . The separation of bargaining units for professional persons from other employee units deterred progress there."23 These provisions of the law, as well as various interpretations of them by the National Labor Relations Board, have all played their part in thwarting the unionization of white-collar workers in the United States.24

Although it is impossible to show a direct causal connection between union growth and legislation (which helps or hinders unionization) it may be significant to note that after passage of the Wagner Act in 1935 and up until about the time Taft-Hartley was enacted, the number of members in white-collar unions increased more than fourfold -- from 300,000 to over 1,400,000.25

23Barkin, pp. 21-22.
24Ibid., pp. 20-23.
From 1947 through 1960, membership in white-collar unions grew by less than 800,000. 26

Specifically, Secretary-Treasurer William A. Gillen of the Insurance Workers International Union charges that, "the 'free speech' provision of the Taft-Hartley Act — which gives employers almost unlimited freedom to oppose unions — is one of the major roadblocks to the organization of white-collar workers." 27

Gillen points up the tremendous impact this 'free speech' provision, Section 8c, of Taft-Hartley has had on white-collar unionization in these words:

Writing of the devastating effectiveness of the free speech provision is not a theoretical exercise. We in the IWIU have run directly into the problem ourselves. Congressional committee hearings, studies by the AFL-CIO and private groups provide us with individual case studies and broad surveys to illustrate the important place this provision has in the denial of union representation for millions of workers.

Our belief is that if employers and unions were given equal opportunity . . . to present these cases to employees, and unfounded charges could be answered directly, the door to organization of white-collar workers would be opened . . . . And this will be possible only when Section 8c of Taft-Hartley is removed from the statutes or basically altered. 28

26Cohany, MLR, LXXXIV, 1305-1306.
28Ibid.
This historical fact of Section 8c on the Statutes since 1947, as indicated above, has had its effect in undermining effective organizing of white-collar workers in the United States. As mentioned in the previous chapter, no such restrictive legislation exists in Sweden. And even if it did, it is highly unlikely that Swedish employers would use such a provision to hamper seriously the unionization of their white-collar employees.

The second change in the law that has tended to impede organization of white-collar employees was the addition of Section 9b. This provision calls for exclusion of so-called professional employees from bargaining units in which other workers are covered. Prior to 1947, no such exclusion existed; the appropriate unit was left to the discretion of the National Labor Relations Board. And "under the Wagner Act white collar workers were being organized . . . . The NLRB under the Wagner Act created a climate which stimulated organization -- bargaining units were not rigidly defined. . . ."

As Lester Asher, a well-known Chicago labor relations attorney, pointed out:

29Labor Education Division, Roosevelt University, Spotlight on Problems of White-Collar Organization, Proceedings (Chicago 1957), 9.
The problem of organizing white-collar workers has been made far more difficult by the Taft-Hartley Act and its "booby-traps." Representation proceedings involving office and clerical units were always lengthy and complicated, but Taft-Hartley has only added to the difficulties and complications.

Moreover the statute has further complicated the white-collar field by providing that professional employees, who are elaborately defined in the law, may secure elections within a unit of their own. 30

A ruling by the National Labor Relations Board in 1960 expanded the definition of the term "professional employees" to cover more white-collar workers. The Board ruled in the case of Western Electric engineers that employees would be classified as engineers (i.e. professional employees) on the basis of the work they do rather than "merely their individual qualifications, background, and experience." 31

Under Taft-Hartley, a professional employee is defined as one with "knowledge of an advanced type," ordinarily obtained by completing "a prolonged course of specialized intellectual instruction and study in an institution of higher learning . . . as distinguished from a general academic education or from an apprenticeship." 32 This ruling meant that technicians without college degrees may be considered a "professional employee"

30 Ibid.
32 Ibid., p. 136.
and will, therefore, (unless they specifically choose other-
wise), be in a separate bargaining unit. It is significant to
note that in the election held in conjunction with this case,
the engineers voted against further representation by the
Engineers and Scientists of America, an independent union.
The National Society of Professional Engineers intervened sev-
eral weeks before the election and urged the employees to vote
the union out, since a union was "non-professional."

Ever since 1947 this fragmentation of bargaining units for
professional white-collar workers has greatly weakened what-
ever strength white-collar unions possessed. It has greatly
discouraged industrial unions from attempting to organize
them when organizing the workers in a plant. As a matter of
fact, this part of the law has only tended to reinforce the be-
lief, of both unionized production workers and white-collar wor-
kers themselves, that the office force is "something
separate and apart," and is a part of management.33

The third change, the insertion of Section 14a, in the

33Everett M. Kassalow, "Occupational Frontiers of Trade
Unionism in the United States," Industrial Relations Research
Association, Proceedings (St. Louis, 1961), 192.
labor relations law in the United States, was a deliberate restriction on the emerging foremen's unions. Section 14a also gave employers another weapon to undercut the effectiveness of union efforts since it excluded anyone classified as a supervisor from protection of the Act. The definition of a supervisor also was expanded to include any person who exercised any one of thirteen various functions. Almost overnight, employers in hearings before the Board claimed that practically any person who wore a white shirt was a "supervisor." Much bestowing of elaborate supervisory-sounding titles took place in industry and offices.

One labor relations attorney observed that "in each case in which a union seeks to represent a bargaining unit of clerical workers, the employer is certain to raise the argument that every office employee is a supervisor, or in some way is allied with management. All of these contentions and efforts to defeat the organization of white-collar workers have been made possible by the Taft-Hartley Act, and its exclusion of supervisors . . . from bargaining units of other employees." 34

As noted in Chapter III, the lack of unionization among foremen and supervisors can have a deleterious effect on the

34Roosevelt University, Spotlight on Problems, pp. 9-10.
unionization of white-collar workers. Their influence on the attitudes and actions of subordinates is considerable. This is true in the governmental and private enterprise alike.

Foreman had all the hallmarks of a group not too difficult to unionize. During World War II if the labor movement had succeeded in organizing foremen it would have had a powerful foremen's union like Sweden. But "the enormous obstacles that have been raised since then by Taft-Hartley make it unlikely that this will come about in the foreseeable future. Its absence may make the unionization of some groups of non-manual workers more difficult." 35

So, because of restrictive legislation as outlined above, the development of a white-collar movement in the United States has been seriously stymied. Coupled with the other historical factors of employer opposition and white-collar traditional belief in individualism, white-collar unionization in the United States has only scratched the surface of its potential. These factors explain to some degree why the pace of organization is so much greater in Sweden, where the white-collar unions did not have to contend with such historical impediments.

Economic Factors

The influence of economic factors on the lack of unionization among white-collar workers in the United States seems to be mixed. Evidence and facts can be marshalled to show the tremendous economic advances blue-collar workers have made since mass unionization took place in the thirties, as compared to white-collar workers.36 In the long range view, the gap once existing between blue-collar and white-collar wages and fringe benefits has been substantially narrowed. For example, in 1890 white-collar worker wages were almost double that of manual workers. In 1919, salaried employees earned 30 percent more wages than manual workers and enjoyed many fringes not available to other workers. However, by 1946, manual workers, who were generally union members, had exceeded the wages of the average white-collar workers.37

However, this does not tell the entire story. In recent years, starting about 1950, the degree of union-won wage and


fringe benefits has been pretty well matched, or in most cases exceeded, by white-collar employees. For example, from 1939 to 1950 the median salary of professional, technical and kindred workers increased only 114 percent while blue-collar workers' median wages rose over 173 percent. But from 1950 to 1959 the salaries of professional (and others mentioned) were upped 70.1 percent while blue-collar wages increased only 55.8 percent.38 "While white-collar incomes are substantially higher than those of most blue-collar . . . workers, there are great variations among white-collar occupations and . . . between men and women in the same occupational groups."39 Yet despite these variations, "white-collar workers are usually better paid than blue-collar or service workers."40 Salaries of city public school teachers also have grown faster than wages of factory production workers since 1950.41

There is also another factor that could possibly explain why some white-collar workers are not overly anxious to join


39 Ibid.

40 Ibid., p. 147.

unions for solely economic reasons. This factor is the automatic wage and fringe increases that industry, as a general rule, usually gives to its white-collar employees when production workers have bargained for an increase. The white-collar worker can logically argue, "Why should I join a union to get wage increases if I get them automatically anyway?"

One author reports that blue-collar workers object to this situation and "there is resentment over the fact that as far as economic gains are concerned, non-unionized white-collar workers have tended to ride in behind the gains won by the unionized blue-collar workers, especially in the post World War II period."42

Another economic fact of life that may possibly impinge on the lack of unionization is the demand in recent years for white-collar workers, especially technicians and professionals. From available information this demand for white-collar workers should continue well into the future.43 Under such circumstances, the white-collar workers is in a better "bargaining position" to demand and get satisfactory wages and fringe benefits without the assistance of a union. As a matter of fact, a

recent study, looking into national labor policy and the effect
unions' collective bargaining has had on inflation, mentioned
the "bidding up of salaries of managerial, technical and sci-
entific personnel not covered by collective bargaining" as a
possible cause of inflation. 44

Needless to say, there are more than just economic reasons
for joining or not joining a union. 45 Economic considerations
are many times not the determining reasons why white-collar
workers join or reject unions. There are social factors such
as status, dignity, respectability, and other values, that far
outweigh economic reasons for unionizing or not. When one
woman office worker was told by a union organizer that women
in the factory of her company earned substantially more than she
did, because they had a union she retorted: "I don't care what
they make in the plant. My job is ten times better. I
wouldn't work in that plant if they paid me twice what she is
making." 46

44 Clark Kerr et al., The Public Interest in National
Labor Policy, Committee for Economic Development (New York,

45 E. Wight Bakke, "Why Workers Join Unions," Readings in
Labor Economics and Industrial Relations, ed. Joseph Shister,

46 Doolan, Attitudes of White-Collar Workers, p. 5.
Social Factors

Of all the factors involved in the inability of the trade union movement to organize contemporary white-collar workers, none is so important as the attitudes reflected by them today. More has been written about the attitudes of white-collar workers in America than any other factor. Their attitudes have been given the greatest weight to explain why white-collar workers have not joined unions. Most authorities in the field generally agree that these attitudes have been a definite contributing factor in the lack of unionization among white-collar workers.47 These attitudes include status, close identification with management, individualism, and the feeling by women that their employment is temporary. For white-collar workers, the amount of "prestige, independence, and initiative given by the job seems to be more important than pay and security in determining a white-collar worker's attitude toward joining a union."48

47For example see: O'Neill, "Clerical Workers' Attitudes," pp. 1-2; Barkin, Decline, pp. 44-45; Kasslow, IRRA Proceedings, pp. 191-193; Barbash, pp. 14-16; Mills, p. 305; Strauss, Harvard Business Review, XXXII, 73-80; Seidman, Worker Views, pp. 139-163. There are many others.

48Strauss, p. 76.
From these basic attitudes of present white-collar employees stem their resistance to unionism. They feel that unions carry a "working class" connotation. To them unions appear beneath their dignity. As one union organizer put it: "Most office workers say unions are 'for the Zarellis and the Ormanskys, not for me.' To them, joining the union means abandoning hope; it means showing hostility to the boss (whom they may dream of as a close associate and personal friend); it also means throwing away all opportunity to forge ahead on merit."

Jack Barbash puts it another way. He says that "the 'upward mobility' drives are too powerful among office workers to allow them to join unions, which symbolize permanent status as a wage earner."

In addition to the social attitudes of white-collar workers themselves is the attitude of the public and professionals that joining a union for some white-collar employees is undignified, unprofessional, and not in keeping with their civic and professional position. This is a view often expressed by

49Ibid., p. 74.

50Barbash, p. 15.
many persons about teachers,51 and engineers.52 Some serious apprehension at times seems to exist in the United States about the unionizing of nurses, hospitals, government workers and policemen. As noted in Chapter III, no such misgivings exist in Sweden.

Trade-Union Factors

In addition to historical, economic and social factors, there are also several factors within the trade-union movement in the United States that help to explain the lack of unionization among the white-collar workers. One is the lack of concerted cooperation between existing white-collar and industrial unions; another is the failure of the central federation, the AFL-CIO, and international unions to engage in an all-out drive to organize white-collar employees; a third is the structure of the union movement in the United States.

The problem of jurisdiction has plagued the labor movement for many years. The seriousness of it can be seen from the extensive efforts made by the AFL-CIO Executive Council at the

51Skibbens, pp. 56-64.
52Goldstein, p. 327.
1961 AFL-CIO Convention to help solve this perplexing problem. Yet the question is still largely unsettled in the white-collar field. Here exclusively white-collar unions of the AFL-CIO, such as the Office Employees International Union, the Technical Engineers, and the Communication Workers Union -- vie with industrial unions -- such as the Steelworkers, the International Union of Electrical Workers, and the International Association of Machinists -- for white-collar members. For example, Everett M. Kassalow, Research Director of the AFL-CIO Industrial Union Department, writes that "white-collar workers, to be effective bargainers, must be closely organized with existing production and maintenance workers' unions . . . . I cannot imagine a union of clerks and secretaries which cuts across all private industrial lines bargaining successfully with General Motors."54

Howard Coughlin, President of the Office Employees International Union, takes precisely the opposite stand. He states categorically that "it is absolutely essential that white-

54 Kassalow, MLR, LXXXIV, p. 237.
collar workers be organized in unions of their own . . . "55

The extent of this split between those two types of unions was illustrated quite clearly in mid-1959 when the Industrial Union Department of the AFL-CIO met to form a permanent Professional and Technical Workers Committee. The committee was formed to assist union affiliates of the Department with white-collar organizing problems. No invitation was extended to the strictly white-collar unions to participate in this meeting.56

A newspaper account of this meeting sharply focused on the nub of the problem -- jurisdiction -- and summed up the significance of this rift in this manner:

Up to now, unions have let jurisdictional jealousy hamper effective action. Agreed that white-collar workers must be organized, unions fight over who will get them. In part, this struggle pits the big industrial unions against the smaller, purely white-collar unions, such as the Office Employees. Such disputes, along with the traditional white-collar workers' bias against unionism, are held responsible for labor's failure to grow in this field.

Many serious-minded union men contend the job can never be done until the industrial unions admit their alleged shortcomings and cede jurisdiction to the white-collar unions -- even help them financially.57


57Ibid.
Yet cooperation between purely white-collar unions and industrial unions is the exception rather than the rule. The recent victory of the American Federation of Teachers, AFL-CIO, in New York City shows what can be accomplished when money, publicity and support from industrial unions are forthcoming. Here the AFL-CIO Teachers Union won a representation election among public school teachers of New York City, beating its nearest rival by over a two to one margin. Only 662 teachers out of some 30,000 persons voting in the election cast a vote for no union. The assistance of the Industrial Union Department and the AFL-CIO was a significant factor in the outcome of this election. It indicates the potential union cooperation has in organizing other white-collar workers.

Closely related to this lack of cooperation between white-collar unions and industrial unions is the failure of the AFL-CIO and international unions to engage in an all-out, concerted campaign to organize white-collar workers.

There is almost general agreement, within and outside of the labor movement, that white-collar workers have not been too

58Information in a letter to Presidents of National and International Unions from Carl Megel, President of American Federation of Teachers, AFL-CIO, January 31, 1962.
amenable to union organization. As of December, 1960, the Bureau of Labor Statistics reported an estimated 2,200,000 union members were employed in white-collar occupations and that white-collar members represented approximately 12 percent of all members of national and international unions. 59

Labor leaders themselves recognize the fact that the organizational potential of white-collar workers in the United States is great. John W. Livingston, Director of Organization for the AFL-CIO, observed that, "if our figures are correct, some three million white-collar workers are organized out of a possible 16 million. Simple mathematics tells us that this leaves 13 million such workers yet to be organized." 60

The labor movement in the United States, in its attempts to organize white-collar persons, has followed two conflicting basic theories of organization:

(a) White-collar workers' needs and interests are basically the same as other workers; therefore, the labor movement's approach to them should be the same as when it

59U. S. Department of Labor, Directory, p. 50.
60Industrial Union Department, Labor Looks, 64.
attempts to organize other workers.

(b) White-collar workers' needs and interests are very different from other workers so that special techniques, approaches and knowledge must be used by the labor movement to organize them.

Both theories or approaches of organization have their spokesmen and advocates. William F. Schnitzler, Secretary-Treasurer of the AFL-CIO, is an advocate of the first approach. He believes that:

Workers are workers — no matter what they wear on the job; no matter whether they work in factory, in a mill, or on a construction job, or in air-conditioned offices . . . .

The employers would like us to believe that white-collar workers are somehow different; they have different viewpoints, different desires, different wants and needs.

That's nonsense. The white-collar worker like any other worker needs and wants and should have a better life for himself and family. On the job, he wants and needs and should have a wage that will enable him to meet today's cost of living; to provide himself and his family with all the material goods and services that we all seek. 61

In contrast to this, others within the labor movement hold to the second approach, that white-collar employees call for a different kind of appeal for organization. One union spokesman observes that structural changes are needed in the labor movement "if the prevailing blue-collar interests are to be

61 Ibid., p. 40.
modified in terms of the needs of white-collar workers."

An Industrial Union Seminar dealing with problems of professional and technical workers in industry, in its summary report said:

"It is clear that if industrial unions are to succeed in organizing large numbers of professional and technical workers in the future they must make major structural adaptations to meet the special needs of these workers." 

Nevertheless, regardless of what theory of organization has been followed by the labor movement, it is generally agreed that the labor movement has only scratched the surface in unionizing white-collar workers.

Practically every AFL-CIO Convention for the last ten years has passed resolutions advocating organization of white-collar workers. Yet the Federation has earmarked no money especially for organizing white-collar workers, as it previously did in the case of the migrant farm workers in California.

62 Kassalow, MLR, LXXXIV, pp. 234-238.


64 Frank J. McVeigh, "Lessons We Can Learn From the Teachers," Voice of the Cement, Lime, Gypsum and Allied Workers, XXV (February, 1961), 1.
However, this lack of action on the part of the AFL-CIO Federation stems primarily from the nature of its organization. This leaves the responsibility for organizing white-collar people up to each international union. But, as mentioned above, this in itself brings about problems which militate against workers' being organized. In the retail field, for example, three international unions claim jurisdiction -- the Retail Clerks, the Retail Wholesale and Department Store Union, and the Amalgamated Meat Cutters. And of course there is always the Teamsters Union, ready to claim jurisdiction at the drop of an application card. Yet none of these unions, with the possible exception of the Retail Clerks, has developed a massive campaign to organize workers in their white-collar jurisdiction.

Yet, if white-collar workers in the United States are ever going to be unionized, it will take a planned massive effort on the part of the AFL-CIO, and international unions -- industrial and white-collar alike. This lack of a concerted effort on the part of the labor movement seems to this writer to be the nub of the problem in the United States. C. Wright Mills correctly analysed the situation when he remarked that

65Barkin, pp. 68-69.
"One major reason white-collar employees often reject unions is that unions have not been available to them . . . . For these employees, the question has been to organize or not organize a union, which is a very different proposition from joining or not joining an available union." 66

If such a concerted drive is undertaken by unions in the United States, it may be discovered that all the historical, economic, and social factors surrounding white-collar workers were greatly exaggerated. The fact that over two million white-collar workers have been unionized lends weight to the argument that a massive drive to organize these workers may well meet with success. Even in Sweden, where more favorable historical, economic and social factors existed, it still took the continual efforts of the white-collar unions there to unionize workers to the degree they have today.

The structure of the union movement in the United States has played its part in retarding the organization of white-collar workers. The American structure of unions contains no effective central federation for white-collar unions like the TCO in Sweden, separate from industrial and craft unions in the AFL-CIO. The organizing of white-collar workers into unions

66Mills, pp. 305-306.
affiliated with the AFL-CIO offers such workers no feeling that they are any different from other workers. To the degree that this feeling is a stumbling block to joining an AFL-CIO white-collar union, the present union structure in America impedes the organizing of such workers.

In Sweden the salaried employees developed their own separate federation and much of the high degree of organization among these workers can be traced to the existence of the separate federation which excludes blue-collar workers.67

Even the Swedish blue-collar workers union federation (LO) saw the value in such a union structure. As one report on salaried employees unions in Sweden noted: "The LO favored the organization of white-collar workers in a separate federation as being conducive to a high degree of unionization."68 Such an attitude is obviously not shared by the AFL-CIO about white-collar workers in America.


CHAPTER V

FUTURE OUTLOOK FOR UNIONIZATION OF
WHITE-COLLAR WORKERS

Since the past and present factors affecting unionization of white-collar workers in Sweden and the United States have been analyzed, a glimpse at the future outlook is in order.

First, what the future holds for salaried employees' unions in Sweden will be discussed; then the future outlook for white-collar organization in the United States will be presented, followed by a brief comparison of the future prospects in both countries.

Future Outlook in Sweden

As Sweden continues to develop scientifically and changes occur in the process of manufacturing, the number of salaried employees continues to grow. This is evident today not only in Sweden but in the United States and other industrial countries as well.\(^1\) It is part of a world-wide trend toward greater

\(^1\)Morse, *Report of the Director-General*, p. 57-80.
industrialization and with it a greater number of salaried employees. ²

With this growth of industrialization in Sweden has come a change in the nature of salaried employees' jobs. This change, which is similar to that taking place in the United States, should encourage a higher degree of unionization among salaried employees in Sweden. ³ Many office jobs have become rationalized and routine-centered in Sweden, and will continue to be as industrialization continues. In addition, the trade union movement among white-collar workers in Sweden is an accepted part of national life. It enjoys the respect and support of most of the population. All this points to greater white-collar membership in unions in the future. ⁴

The fact that over 60 percent of Sweden's salaried workers are unionized will naturally have a positive effect on those still unorganized. People tend to join well-known, firmly established groups rather than those struggling to become established. One TCO official points out that "recruitment is


³Morse, p. 65.

⁴Ibid.
becoming easier and easier and it is becoming a matter of course that salaried employees -- all salaried employees -- should be organized. Those who stay outside the movement are regarded nowadays with considerable distrust. ⁵ There is no reason to indicate that this situation will change appreciably in the future.

According to estimates of LO in 1961, a great number of unorganized workers still exist, especially in service trades -- in commerce, hotels, and restaurants -- where about one hundred thousand workers remain unorganized. ⁶

The white-collar unions in Sweden, through the TCO, are continually studying ways to organize salaried employees more effectively. They have also engaged in numerous conferences to strengthen ties with white-collar unions in neighboring countries, ⁷ and have participated actively in affairs of the white-collar Secretariat of the International Confederation of

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⁵Aman, TCO, 1953, p. 45.


⁷Ibid., (December, 1959), p. 3.
Free Trade Unions. All this activity has been designed to improve Sweden's white-collar labor movement's ability to organize and meet the needs of the salaried employees still to be organized. If past experience is any guide, the white-collar union movement in Sweden should be successful in its endeavors in the future.

**Future Outlook in the United States**

The same general trend in the growth and development of white-collar jobs is evident in the United States as it is in Sweden. The number of white-collar employees is growing daily. By 1970 it is projected by the U. S. Department of Labor that white-collar workers will account for 48 percent of the labor force.

Along with the increase of white-collar jobs in the United States has come a change in the nature of jobs, as compared with the situation a few decades ago. The close contact and identification with management, chance for advancement, job security, better working conditions, and a higher standard of

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living than other workers no longer exist today to the extent they previously did for white-collar workers. Though describing the changing nature of office work throughout the world, a 1961 report of the International Labour Organization graphically pinpoints the changes that actually have taken place in office work in the United States, and will undoubtedly continue to do so:

Offices tend to increase in size, so that the employees work more and more for units grouping hundreds or even thousands. The office environment becomes more impersonal. Many salaried employees on routine duties in mechanized offices work under conditions similar to those of factories, involving high speed, machine rhythm, monotonous duties, fixed output standards, shift work, and even payment by results in some cases. Personnel policies aim at eliminating the possibility of any individual negotiation on conditions of employment.

Needless to state, indications are that this will be the trend of white-collar work in the future.

As automation and further technological changes affect office jobs, many contend this should make unions more palatable to white-collar employees in the future. For example, Howard Coughlin, President of the Office Employees International

11Mills, White-Collar, p. 204.
12Morse, p. 65.
13Mills, p. 212.
Union (AFL-CIO), declares that "the office staff of the near future will consist of individuals who will operate automatic devices. They will be far more vulnerable to unionization than their clerical predecessors."\(^{14}\)

One study of industrial relations in the next generation points out that as management centralizes and automation becomes more widespread, the white-collar worker's identification with management will yield to a pervasive social and intellectual isolation on the job. This growing isolation from management is likely to produce a sense of frustration among white-collar workers and impel them to seek relief through self-organization. This has been a familiar pattern in the growth of large-scale industry, and white-collar workers should prove no exception.\(^{15}\)

A recent executive order by the President of the United States recognized the right of government employees to form unions and for their unions to negotiate with agency officials


for a written agreement. This was a break from the past attitude of government agencies toward recognizing and dealing with unions.

In spite of the factors mentioned above, a number of inhibiting factors will still operate to make organizing white-collar workers difficult in the years ahead.

There is no evidence to indicate that employer opposition to unions will decline in the future. As a matter of fact, if large-scale organizing campaigns are undertaken in the future aimed at bringing white-collar workers into the union movement, it would be logical to assume that greater overt employer opposition would develop than is evident today.

In addition, as time goes by, management's methods of eliminating employees' discontent become more and more refined. Techniques and tactics to gauge and change employees' attitudes toward the company are becoming better perfected with each passing year. For example, a survey in 1961 by the Bureau of National Affairs indicates that employers have developed various workable methods for changing employees' unfavorable

16"Chronology of Recent Events," MLR, LXXXV, 305-306.
attitudes toward the company. Application of techniques such as meetings with employees, employee publications, suggestion systems, "gripe boxes," interviews, and formal grievance procedure can seriously undermine the appeal that unions may have for white-collar workers in the future.

Even with a change in the size of the office and a change in the nature of white-collar work as described earlier, there is no guarantee that these workers will shed their individualistic outlook and attitudes toward their work. Changes in the nature of white-collar work have been going on for the last ten to fifteen years without any noticeable change in the attitudes of these persons toward unions. It is still uncertain whether they will turn to unions in the future as the answer to their frustrations and fears. The strong tradition of individual action as a solution to their problems may continue to be used by them in the future as it has in the recent past.

As far as white-collar workers in America joining unions is concerned, the future is in doubt.


18 Ibid., p. 5.
CHAPTER VI

CONCLUSION

Summary of Study

This study has revealed certain similarities and dissimilarities between the white-collar union situation in Sweden and the United States.

Although the absolute number of white-collar workers in the labor force is much greater in the United States, (due to its population), than in Sweden, as a percentage of the work force they are roughly about the same.

The pattern of percentage increase in white-collar jobs also has been in the same general direction over the last fifteen years. Indications are that future growth of white-collar employment should develop along parallel lines in both countries as a percentage of the total work force.

Sweden, however, far exceeds the United States labor movement in the degree to which white-collar workers are unionized. In Sweden over 70 percent are unionized; in the United States, about 11 percent. It was the purpose of this
thesis to examine the factors which have caused this difference in the degree of unionization among white-collar workers.

**Historical Reaction to Unionism**

The historical, economic, social and trade-union factors in Sweden all shared a role in the unionization of white-collar workers there. The employers' early recognition of unions in Sweden helped to set the stage for the development and growth of salaried employees' unions. This historical fact contrasts sharply with the situation in the United States where a history of persistent employer resistance to unions retarded the establishment and recognition of white-collar unions.

A whole historical tradition in regard to group organization permeates Sweden, whereas in the United States, workers, including white-collar persons, bring to their jobs the life-long tradition of our country's "rugged individualism." The Swedes long ago accepted group organization as the most effective means of bettering their economic conditions. Americans have over the years traditionally clung to individual initiative and action as their means of economic advancement.

The geography of the countries, as well as the size of their population and work forces, also played a role in
determining the extent of group organization. In Sweden a relatively small homogenous population and work force, concentrated into a rather small geographical area, influenced the growth of and reliance on group organization in the economy. In the United States, a larger geographical area, heterogeneous population and work force were not as conducive to group organization as a way of life as in Sweden.

Reasons for Divergence

In Sweden legislation encouraging union organization was the rule (when legislation was deemed necessary to encourage unionization). In the United States, until the Thirties, the historical legal precedents made unionization difficult, and, in most cases, illegal. Since the Taft-Hartley Act of 1947 many more legal roadblocks have been set up which impede the unionization of white-collar workers.

The establishment of the Folketshus (People's House) in the early days of the Swedish labor movement helped to give unions a socially acceptable status, which has had its impact on salaried workers joining unions. On the other hand, organized labor's historical desire in the United States has been to gain some measure of social acceptance and respectability, especially among middle class people. Apparently it has never quite achieved its desire.
Economic factors have had an effect on the unionization of white-collar workers in both countries. Economic factors had a more pronounced influence on these workers in Sweden than in the United States. The prospect of improved wages and fringe benefits as a factor in unionizing white-collar workers in the United States was not as dramatic as in Sweden. Here wages of many white-collar workers, especially professionals and technicians, have been rising due to demand for these workers by companies. Furthermore, white-collar workers consider status and respectability of their jobs generally more important than money and fringes. In Sweden this attitude, although once prevalent among salaried employees, over the years has given way to economic considerations.

Social factors also have had a hand in the picture. Social factors in Sweden such as employers' and employees', and the public's attitudes toward union, and the absence of laws which would impede union organization, have done much to assist and encourage white-collar workers to unionize. Social factors in the United States, such as middle-class attitudes of white-collar workers toward their jobs and unions, as well as the community's attitude toward certain groups of white-collar workers belonging to unions, have made organizing of
such workers difficult.

In the area of trade-union factors, significant differences exist between Sweden and the United States which impinge on the unionization of the white-collar labor force. In Sweden the existence of an effective, influential labor press, extensive worker education programs throughout the labor movement, and the presence of highly-organized foremen's and supervisors' unions all have created an atmosphere conducive to unionization of white-collar workers. The presence of well-organized, well-financed, and respected white-collar unions makes unions readily available to those eligible for organization. A minimum of jurisdictional conflicts exists between manual workers' and white-collar unions. Instead, a spirit of cooperation in organizing workers prevails among unions in Sweden.

In contradistinction to the situation in Sweden, the United States' white-collar workers have not had unions readily available or close at hand, even if they wished to join one. The labor movement itself admits there has not been a real concerted organizing drive aimed at white-collar workers, and that such an undertaking is long overdue. Jurisdictional squabbles still prevail among white-collar and industrial unions in those few areas where serious organizing drives
Learning From Swedish Experience

It is very difficult to evaluate what aspects of the Swedish experience in unionizing white-collar workers has application to the United States. From all the various factors at work in Sweden which have affected the unionization of white-collar workers, it is rather obvious that a different kind of atmosphere permeates Sweden in regard to unions and their position in that country. It would be difficult, if not impossible, to apply the Swedish experience to the United States since divergent historical, social and trade-union factors have shaped the situation in both countries.

Nevertheless, this does not mean there are not some lessons the trade-union movement in the United States can learn from the experiences of the Swedish movement in unionizing white-collar workers.

As indicated before, some thought should be given to an all-out drive by unions in the United States to organize white-collar workers. This means more than just passing resolutions. It means, as was done in Sweden, the expenditure of money for organizers, literature, and publicity to get the job done. This approach may pay off for the United States trade union
movement, since the blue collar sector is providing less and less opportunity for organizing. And it is doubtful whether such a concerted effort to organize white-collar workers would be any more difficult than is present-day organizing of blue collar workers. One labor spokesman for industrial unions

sumes it up thusly:

Indeed, as one surveys the organizing efforts of trade unions in the blue collar field in recent years, he is almost driven to the conclusion that a similar outlay of resources in the white-collar field would bear greater fruit. In the blue collar areas the labor movement today is up against hard core company and industry hold-out situations which are likely to continue to be difficult to unionize. In contrast, there are almost certainly hundreds of white-collar employment situations where an accumulation of grievances and the need for union representation present a greater potential for organization. . . .\(^1\)

This is one lesson that the United States unions can learn from the Swedish experience. Another lesson that can be taken to heart by unions in the United States is the apparent necessity for some type of organizational structure that gives white-collar workers the impression that their organizations are not the same as the other workers. This may mean a separate departmental structure within the AFL-CIO. It may mean

\(^1\)Kassalow, \textit{IRRA Proceedings}, p. 208.
separate white-collar divisions or committees within existing unions, such as the International Union of Electrical Workers (AFL-CIO). Or it may possibly mean the formation of an entirely separate white-collar union federation as in Sweden. These aspects of organizational structure and techniques have in recent years been receiving more and more attention from writers of white-collar organizing in the United States.²

A third possible lesson that can be learned from the Swedish experience, is the need for the U. S. labor movement to expand greatly its educational, public relations and publicity activities. Some way must be found by the trade union movement to compete more effectively with the mass media in the United States. By doing this, it will be in a better position to get its message across to millions of potential white-collar union members, and to the general public. The Swedish trade union movement has done this through its ownership of thirty-three daily newspapers, as well as a number of publishing companies. In the United States, not a single daily labor newspaper exists. Clearly, this is an area in which more work must be done by unions in America if they intend to organize the mass of white-collar workers.

²Kassalow, MLR, LXXIV, pp. 236-238.
What the Future Should Hold

Both countries, Sweden and the United States, can look forward to a growth in the number of white-collar workers as well as a change in the work environment among white-collar workers in the future.

This growth in the labor force of white-collar workers does not necessarily mean that the percentage of these workers joining unions will increase. For "until the main body of the American labor movement and its constituent units bend to a serious effort to bring organization to these groups of workers, progress must inevitably be slow. Indeed many of the frustrating organizing efforts of the past which were conducted by inexperienced and badly financed groups offer no clear guide to what the future may and can hold."

Nevertheless, it will increase the potential for union organization and will make the labor movement more and more aware of the necessity to organize white-collar employees if it is to retain its influence and position in our country.

Both countries will experience greater use of automated machines in the office and other white-collar establishments.

3Industrial Union Department, Collective Bargaining Problems, 7.
With the acceleration of the present trend toward office automation, larger units of workers will be brought together, and more of a group consciousness will tend to be built up among the workers. Traditional identification with management will slowly but surely erode away as white-collar workers are separated further and further from the top decision-makers and executives.

All these changes in the job environment of white-collar workers should, by their very nature, aid in the unionization of these workers. The larger size offices are particularly important. They naturally mean larger memberships for unions since employees are more numerous. In addition, the large units of business tend to produce among white-collar employees a "group consciousness and identification that form the psychological base of unionism." This fact may well have been one of the reasons to explain the outcome of the 1961 representation election of public school teachers in New York City, where over 45,000 persons were involved.

In the future, the trade union movement in Sweden will be in a better position to capitalize upon this situation. Unions in the United States will have a tremendous opportunity and

\[4\text{Seidman, } \textit{Worker Views}, \text{ p. 266.}\]
potential for organizing, but it is still doubtful whether they will be able to take advantage of the situation. A favorable climate for organizing government employees, created by the Executive Order of the President in 1962, should work to the advantage of the union movement in the future. This milestone should give unions in this field encouragement for more sustained organizing drives in the future. It should also help government white-collar workers to see, concretely, the results of union representation.

In addition, a nucleus already exists for future white-collar unions. As each year goes by the organizers of these existing unions become more experienced. All they need are a few major organizing and bargaining successes to ignite the flame of organization among other white-collar. The fact that over two million workers have already been organized should give confidence to the labor movement in the United States that white-collar workers can be organized.

However, the same inhibiting factors -- historical, economic, social and trade-union -- of the past will be operating against unions in the future, unless of course they can overcome them.

It is uncertain whether the United States labor movement will ever reach the degree of organization among white-collar
workers as the Swedish labor movement has attained. Only time will tell.
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APPENDIX I

BACKGROUND OF SWEDISH ECONOMY AND SOCIETY

The economic system of Sweden is a mixture of private enterprise, government ownership, control and planning, and cooperative organizations. This mixed economy of Sweden has often been termed "the middle way" (between capitalism and socialism).

Sweden is a homogeneous country with respect to race, nationality, language, religion and education. This homogeneity is reflected in the structure of the country's economy. One basic characteristic of the Swedish economy and society is organization to protect one's economic interests. The economy, industry and commerce cannot display one single unorganized sector. In large sections of agriculture, economic associations handle distribution almost in its entirety. Consumers' cooperatives cover a large portion of the retail trade, and the part of private trade which lies outside the orbit of the cooperative movement is almost entirely governed by various employer organizations.

\[^{1}\text{Aman, TCO, 1953, p. 8.}\]
are more highly organized in Sweden than in any other country in the world.²

It is not surprising that Swedish society is far from competitive in some respects. The individual is more inclined to better himself by improving the position of the group to which he belongs than by moving into another group. Compromise and cooperation rather than competition have been the vehicles of social change.³

Private enterprise accounts for 89.6 percent of the total number of Swedish companies and employs nearly 80 percent of the work force. Agricultural producers' cooperatives make up 1.9 percent of all enterprises and have about 2.2 percent of the country's manpower. Consumers' cooperatives number less than 8000, but over one-half of all Swedish families belong to them. They account for 3.5 percent of all firms and use 2.4 percent of the labor force. Government ownership, central and local, makes up 5 percent of the business establishments and engages 13 percent of the country's workers.⁴

²Galenson, Union Democracy, pp. 74-76.
³Heckscher, Economic History, p. 283.
Public ownership in Sweden has a very long tradition behind it. Since the Middle Ages the State in Sweden (as in other European countries) has owned vast forest areas and sources of water power. Public ownership of mineral resources and the production of electric power dates back to the beginning of this century. In Sweden the State is responsible for 40 percent of the total energy produced, municipal authorities for 6 percent, and private companies for 54 percent. In a number of the privately-owned companies, however, municipal authorities are part owners. 5

The railways, for the most part, have been owned and operated by the State since the first railroads were built in the middle of the last century. The postal service and the telephone and telegraph systems have been government enterprises almost from their start. From the beginning, radio facilities, and now television, have been publicly owned as in other countries of Europe.

Gas-and water-works are also, as a rule, owned and operated by the local communities. This applies also to streetcar and bus systems in cities. Other activities that have

traditionally been regarded as belonging to the sector of public enterprise are sanitation and the operation of ports, slaughterhouses, and meat markets.

In Sweden the State has a monopoly on the production and distribution of liquor and wine, and processing of tobacco. Distribution of tobacco, however, is left to free enterprise.

Privately-owned enterprise, as mentioned before, is still dominant and, in general, manufacturing, commercial banks and insurance companies are under private ownership.

The question of socialization or nationalization of basic industries in Sweden has received relatively little attention during the past twenty-five years. Even among those that adhere to the concept of government control, nationalization is regarded by the Swedes as only one means alongside many others by which the government may increase the welfare of the people under certain conditions and circumstances.6

On the other hand, most businessmen agree that a considerable amount of government control and planning was necessary in the post-war years after 1945. Even though Sweden was a neutral during World War II its economy was disrupted due to a lack of trade with the warring countries. In normal times also they agree that government must take the responsibility of

6Ibid., pp. 13-52.
securing at least a minimum standard of living and of preventing mass unemployment. This attitude toward economic controls and planning, together with a relatively strong feeling of social responsibility among the leading men of all classes, tends to explain why Sweden developed an extensive social security system earlier than most other countries. It also points up why Sweden tackled its unemployment problem and agricultural crisis in the 1930's rather successfully. And today they attempt to tackle their present-day economic problems in their own special manner regardless of the ideological labels that might be attached to their methods.7

"Welfare State" Benefits

No discussion of Sweden's economic system would be complete without some mention of the "Welfare State" benefits that prevail in the country. By a process of gradual evolution, a comprehensive system of social welfare benefits has come into being in Sweden through legislation. Some of the existing welfare benefits include the following:8

7Ibid., 52.
8The Swedish Institute, Social Benefits in Sweden (Stockholm, Sweden, 1959), 2-52.
(a) General family allowances (tax free) for all children under 16.

(b) Free health supervision of children up to school age by the Child Welfare Centers. Certain kinds of inoculations, as well as medical check-ups, are free for school-age children.

(c) Free vacation transportation for children to free children's vacation camps in summer.

(d) Day nurseries for children of women who work. A fee is charged which varies according to parents' income.

(e) Free tuition at schools, primary and vocational. Free school meals in primary and secondary schools, as well as free text books and school supplies. Study grants and loans are granted at higher levels of education.

(f) Home-furnishing loans for newly-married couples. The loan is arranged by the central bank, and is usually repayable within eight years at a low rate of interest (three and one-half percent or lower).

(g) Cash maternity allowances. Each mother receives an allowance from the government at childbirth. Other maternity benefits are provided in needy cases to provide equipment for mother and child, dental service, domestic help, etc., by a supplemental allowance.
(h) Free medical, hospitalization, and nursing care providing one of the most comprehensive health-care benefits in the world. The payment of all drugs and medications, and three-fourths of all doctor fees are covered under the Swedish health insurance program.

(i) Rent allowances for families with children. Allowances depend upon the number of children and the family's taxable income. The allowance is paid directly to the landlord.

(j) Low-interest loans not to exceed three and one-half percent, for buying a home or repairing a house already owned.

(k) Training allowances for unemployed persons for vocational training or for special courses. Moving and traveling allowances are also paid to unemployed persons who are offered jobs in some other area than that in which they live. Such persons are also eligible to receive a special family allowance for six months until they are established at their new location.

(l) Domestic assistance to look after the home on account of illness, childbirth, death, etc. Such assistance is provided by the Social Welfare Office for temporary periods of time. Fees are charged according to ability to pay, but in practice are often waived.
(m) Retirement pension benefits (basic and supplementary plans) providing for about two-thirds of a person's best years' earnings. Benefits are automatically adjusted (upward or downward) to the cost of living in Sweden.

These are just some of the many social welfare benefits provided by law. This list does not include social benefits stemming from private groups or from collective bargaining. For example, unemployment benefits are usually handled through trade unions' unemployment insurance clubs. It is also characteristic of Swedish social legislation to leave many areas of administration open to self-government through voluntary societies. For instance, government-subsidized health insurance is administered by local societies, the leaders of which are chosen by the insured themselves. Within the limits laid down by legislation and the central government, the groups are competent to determine the amount of premiums paid in and benefits paid out.

To pay for all these "Welfare State" benefits mentioned above, the people of Sweden must pay sizeable taxes. For example, an unmarried worker making the average wage in industry of $52.00 for a forty-five-hour work week pays $14.40 in taxes from his salary. This represents both national and local
income taxes, his health-insurance fee, and his contribution to the basic old-age pension. This amounts to a graduated tax rate of almost 28 percent.

A married worker, regardless of the number of children finds about 20 percent of his pay withheld for taxes. Instead of granting a tax deduction to the father, the State pays an annual allowance for each child directly to the mother.

The tax money goes mainly to pay the cost of the "Welfare State" benefits. In 1958, when costs of the benefits totaled 14 percent of the national net income, the national government paid nearly half, and the local governments nearly three-tenths. The rest, two-tenths, was paid for by individual and employer contributions to various insurance funds. 9

The question is often raised about the effect of such extensive "Welfare State" benefits, as mentioned before, on the individual's initiative and the moral fiber of the people. The attitude of many Swedes is expressed by Arne Geijer, head of the Confederation of Swedish Trade Unions (LO), who says

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it is his feeling that Swedish workers, far from having lost initiative, actually work harder than Americans.

He asserts that there is initiative in Sweden because of the piece-work system under which some 70 percent of the labor force work. According to Mr. Geijer, the workers also realize that they must remain competitive with other countries since 25 percent of all Swedish commodities are sold abroad. This is particularly true in the chief exporting industries of timber, iron ore, pulp, and paper.

Others point to the high rates of suicide and illegitimacy as attributable to the undermining moral effects of the "Welfare State." As Werner Wiskari stated in his article "Rejoinder to Sweden's Critics" appearing in the New York Times Magazine: "Sin, suicide, socialism and smorgasbord -- these are what a good many foreigners think Sweden is made of."

In regard to the rate of suicide in Sweden, he asserts:

Sweden's rate, though sixth-highest in the world has shown no startling increase in the past half century and no demonstrable connection with the social-welfare state.

The nation's suicide rate was 19.9 per 100,000 inhabitants in 1957. Swedish psychiatrists and sociologists, point to the fact that

10 Ibid., 67.
11 Ibid., 61.
neighboring Norway has a social-welfare state that in some respects goes further than Sweden's but a suicide rate of only 7.4, or less than half the Swedish figure.

Four other European nations have even higher suicide rates than Sweden -- Austria with 23.9, Denmark with 22.5, Finland with 21.9 and Switzerland with 21.6. Japan tops them all with a 1957 rate of 24 per 100,000 inhabitants.

All that is clear is that no one has more than speculation to offer in explanation of why Sweden, with the highest standard of living in Europe and a far-reaching social security system, should also have so many suicides. No comprehensive study of the question has been made.

This undoubtedly is an area for further study and research by sociologists or psychologists whose findings might possibly open up new insights into the effects of the "Welfare State" on the individual.

The high rate of illegitimate births in Sweden, which accounted for nearly 25 percent of all births in 1957, Wiskari asserts might possibly be traced to the fact that Sweden keeps more reliable and inclusive statistics about this matter than other countries do. He points out, however, that the State Church (the Lutheran Church) admits that only 3 percent of the population can be classified as bona fide church members.

Whether or not a relatively high rate of illegitimate births, coupled with a comparatively low church membership in Sweden, is attributable to welfare statism is problematical.
It is not the purpose of this thesis to determine, one way or another, what the moral effects of the welfare benefits have been on the individual. Nevertheless, these charges and explanations of possible answers are presented in order to give the reader a more complete and accurate background picture of Sweden's economy and society.

**Sweden's Political System**

Another important aspect of the economy and society is Sweden's form of government. Sweden can be classified as a parliamentary democracy. The Swedish Parliament (Riksdag) celebrated its quincentennial in 1935. It is composed of two houses, an upper and lower. Universal male suffrage was instituted in 1909 (for elections to the lower house) and in 1918 (for voting for the upper house). Women obtained voting rights in 1921. The lower house of Parliament is elected by popular vote every fourth year; the upper house by municipal and county electoral bodies which, in turn, are elected by direct popular vote every four years.

The executive authority rests with a Prime Minister and Cabinet chosen according to the principles of parliamentary government.

The basis of the parliamentary system in Sweden is the existence of solid political party groups. There are four
such political parties: the Social Democratic Party, the Conservative Party, the Farmers' Party, and the Liberal Party.

The first modern party in Sweden was the Social Democratic Party, which was founded in 1889. It has retained power in Sweden as the majority party continually since 1931.

The Conservative Party originally opposed the development of democracy, and later was active in supporting national traditions, military establishments, and the existing economic order. Today this political party has expressed strong sentiments in favor of democracy. The most important supporters of the Conservative Party are the industrialists; but this party gets most of its votes from the lower middle class and white-collar workers.12

The Farmers' Party in Sweden has a very clear electoral basis among farmers with middle-sized farms, but it also gets support from a number of small farmers. The Farmers' Party has cooperated readily with the Social Democrats in advocating and supporting social welfare measures.

Finally, among the parties to the right of the Social Democrats is the Liberal Party. This party was very important during the struggle for democracy and parliamentary government,

12Friis, p. 7.
but it has gradually lost its original support in elections between World Wars I and II. However, in recent years a slight resurgence of Liberal Party strength has been seen. It has attracted some of the farmers as well as a portion of the middle class in the cities. It is now one of the strongest opposition parties in Sweden.

There has been great stability in the leadership of the parties and in the political system. An important aid to the democratic stability has been the existence of small holdings in agriculture, handicraft, and trade. Many small companies in industry, scattered throughout the land in small and medium-size towns, make up the economy of the country. These units in the economy still are important in Swedish politics. Numerically-large, these groups in the population have acted as a balance in two ways: on the one hand, the Social Democratic Party has modified its policies to attract votes from them; on the other hand these groups are important factions in modifying policies in all the other parties. Because of the political weight of the lower middle class (which includes a sizeable number of salaried employees) no party dares to introduce economic legislation that would threaten the position of small business. Government policy has traditionally safeguarded the small entrepreneur. From the point of view of
economic efficiency these policies may be rather questionable, but they have been an influential factor in the maintenance of political stability in Sweden.  

In concluding this brief description of Sweden's economy and society in a narrow sense, a general characteristic of Swedish society should be noted which differentiates it from the United States. American society is characterized by a mobility—geographic, occupational and social—which is almost entirely absent in Sweden. Swedish society is probably even more static in this respect than other European countries. Unlike many European countries, Sweden has been spared the impact of war and revolution, and unlike the United States, her population has never been increased by any sizeable immigration. Thus, despite her rapid industrialization, Sweden today still displays some of the basic characteristics of pre-industrial society.

Certainly, the relationships between the various social groups have not remained totally unchanged. For instance, a

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13Ibid., pp. 20-21.

distinctive feature of Swedish society today is economic levelling. But productivity increases and social welfare measures have made it possible to attain a large measure of economic equality without drastically infringing upon the incomes of the "upper classes." 15

15 Heckscher, p. 282.
APPENDIX II

COMPARISON OF UNION ORGANIZATIONAL STRUCTURES

To understand better the operation of white-collar unions in Sweden, a brief discussion of their organizational structure will be helpful.

In terms of their structure, trade unions in Sweden are "basically similar" to those in the United States.\(^1\) Since the basic organizational structure of unions in Sweden does not differ between manual and salaried employees, the union organizational structure described here is that of the leading white-collar federation, the Central Organization of Salaried Employees (TCO), and its affiliates. It is also applicable to the other union federations in Sweden mentioned in the thesis.

**Structure of TCO Federation**

The Central Organization of Salaried Employees (TCO) is the largest and most influential union federation to represent

\(^1\)Galenson, *Comparative Labor*, p. 20.
white-collar workers in Sweden. It is comprised of 36 affiliated national unions. The largest is the Swedish Union of Clerical and Technical Employees in Industry (SIF) with 115,000 members. The Swedish Foremen's Union (SA) with 43,000 members, the Municipal Employees Union (KIF) with 32,000, the Commercial Employees Union (HIF) with 22,000, and the Civil Service Executives Union (CST) with 22,000 are other important groups.

There are also separate organizations for nurses, school teachers, military officers and non-commissioned officers in the defense forces, civil defense employees, journalists, policemen, and other professions. Most of the TCO unions started as professional groups or humanitarian societies in the early 1900's.

During the 1920's, one by one, the salaried employees' organizations in existence gradually began to include trade union matters in their programs, and sought to bargain with employers about working conditions. New groups, such as the Swedish Union of Clerical and Technical Employees in Industry, were formed for the purpose of pursuing trade-union objectives. It is interesting to note that the leading TCO union

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3Ibid.
(SIF) was formed in 1920 "on a very modest scale as a link so to speak between the employee clubs then existing in a number of firms, whose chief character was social."4

This transition from social groups to trade unions was a slow evolutionary process. It was impelled by certain economic facts, which were discussed earlier. During the Twenties, the salaried employees' groups made progress toward becoming organizations that carried out the functions of a trade union. They were small in numbers, but the nucleus of a powerful white-collar union movement was formed. It needed only the fission of legal recognition in later years to unleash a chain-reaction of explosive energy which was latent within it.

The salaried employees' organizations brought matters affecting working conditions or employment to the attention of the employer. They then appealed directly to the employers or to public opinion to get these matters solved. During the latter part of the Twenties, the question of retirement pensions was the main issue. This led to cooperation between various salaried employees groups. In 1927 it led to the formation of a Pensions Committee for Salaried Employees'4

4Ibid., p. 4.
Association. However, holidays, layoff notices and sick-pay also were discussed with the employers. The question of salaries usually was the last item on the agenda.

The need for more and more joint action and cooperation among the Swedish salaried employees' associations became evident as they pursued trade-union objectives. In 1931 a Salaried Employees' Central Organization (DAGO) was formed. It was a confederation of eight organizations with a total membership of about 20,000. It was started by the Bank Employees' Unions, railway salaried workers, and industrial foremen and supervisors. In 1937 a special central federation was formed by State and municipal employees. It was comprised of eight affiliates and about 40,000 members. In 1944 these two groups came together to form the Central Organization of Salaried Employees (TCO).

TCO charters the national unions. The national unions in turn charter local branches. Each local branch is made up of company units, or employee clubs as they are called.

The highest policy-making body in TCO is the Congress which meets every three years. There are 200 delegates who represent

5Aman, TCO, 1953, p. 10.
6Nordenskiold, ILR, LII, p. 41.
7Aman, TCO, 1953, pp. 11-12.
affiliated national unions at this Congress. The number of delegates and votes are determined proportionately according to members in the union, but each union is entitled to at least one delegate.\(^8\) The Congress checks on the activities of the "Executive" since the previous Congress. The "Executive" of the TCO consists of the president and eight other members who are the top officials. They carry out the day-to-day work of the organisation.

The Congress also deals with policy matters relating to future or past activities of the TCO. For example, during the 1958 Congress the delegates took action on questions dealing with the finances of affiliated unions, educational activities of TCO, and how to get greater participation and interest of women workers and young employees in their unions.\(^9\)

Between meetings of the Congress, a General Council of 100 members, appointed by the affiliated unions, is the highest governing body. Each union is represented by at least one member on the Council. It meets at least once a year to consider important matters. As a matter of practice, an

\[^8\text{Amam, TCO, 1958, p.11.}\]

\[^9\text{Ibid.}\]
extra meeting is usually held every year to deal specifically with current collective bargaining problems.\textsuperscript{10}

The functions of the TCO federation are spelled out in its Constitution. There is a greater number of functions relegated to the TCO federation than to the AFL-CIO in the United States. For example, according to the TCO's Constitution, it shall "work for the formation and maintenance of efficient trade union organizations and define the spheres of recruitment."\textsuperscript{11} In addition, it has the power to "represent the affiliated unions in matters of common interest."

TCO, through its Civil Service Section on which officials of affiliated national unions are represented, conducts contract negotiations centrally with the Civil Service Minister.\textsuperscript{12} In the private sector, TCO offers the national unions advice and suggestions on bargaining but the actual negotiations are in the hands of the national and local unions.

The TCO federation also has authority to order the merger

\textsuperscript{10}\textit{Ibid.}

\textsuperscript{11}\textit{Ibid.}, p. 4.

of affiliated unions with similar or overlapping jurisdiction.\textsuperscript{13}

So power is more centralized in the TCO federation than in the AFL-CIO. This is particularly true in the areas of jurisdiction, collective bargaining and union existence.

TCO, like the AFL-CIO, also acts as a clearing house for information, represents salaried employees' interests in legislative matters, and on Labor Market Boards.

In addition to chartering national unions, TCO has established special sections or "committees" which particular unions must join. This situation is quite unlike the labor movement in the United States where committee membership in the AFL-CIO is on a voluntary basis. In Sweden, a special Civil Service Section deals with matters of interest to State civil servants. TCO's Municipal Salaried Employees' Committee is a somewhat similar body for employees in the field of local government. The unions in the private sector have a similar committee setup. A separate committee for engineers has also been established.

\textbf{Structure of TCO Affiliates}

Just as the TCO is governed by a periodic Congress and

\textsuperscript{13}Aman, \textit{TCO}, 1958, p. 10.
an elected "Executive," so are the affiliated national unions. The Congress of a national union meets at regular intervals, generally about every two years. It carries out functions similar to TCO's Congress. The union's "Executive," local unions, and even individual members can submit motions to the Congress.

Individual members belong to a local branch. The branch is the basic unit of the union organization as a whole. 14 When membership is spread over a wide geographical area and the members do not live in densely populated communities, they are organized on a county or district branch basis.

The duties of the local branches vary. One common duty, however, is to recruit new members and carry out instructions and decisions of the national union. In some cases, they represent their members in local negotiations with the employers. It is also their duty to enforce and police agreements, collect dues, send in reports and wage statistics, and carry out the union educational programs. The shop clubs form a part of the local branches, and it is in these shop clubs where most plant contract negotiations are carried out once a basic agreement has been reached between TCO national

14 Ibid., p. 7.
unions and SAF. It is at the shop club level where most member participation is evident. The shop club does not have the power to sign a contract until approved by the local branch. This is similar to U. S. experience where local union approval is generally needed.

The local branches of unions affiliated to TCO have grouped themselves together on a local area or regional basis to form TCO Committees. These Committees are comparable to city or county central bodies in the United States. However, these TCO committees are composed solely of white-collar local union branches.

Two Types of Union Structure

Unions affiliated to TCO vary in organizational structure. Local branches are organized either on an industrial (vertical) or craft (horizontal) basis. For example, the Union of Clerical and Technical Employees in Industry, and the Municipal Salaried Employees' Union are organized on a vertical (industrial) basis. On the other hand, TCO's Union of Foremen and Supervisors, and the Nurses Union are set up along horizontal (craft) lines.

15 Galenson, Union Democracy, p. 84.
According to TCO, no particular organizational structure prevails, although the trend seems to be toward the vertical (industrial) type of organization among salaried employees.

A TCO publication states:

At the present stage, it is difficult to divide salaried employees' unions consistently into unions with a vertical or a horizontal structure. Unions have not developed according to a well thought out plan. Unions were formed when a group of employees found it opportune, in order to defend their interests. Rationalisation and coordination do not date back to more than one decade. It is obvious however, that the vertical principle has been continually gaining ground, a contributory cause being -- both in the case of salaried employees and manual workers -- the growth, structure and methods of negotiations of the employers' organizations.16

Structure of Unions in United States

Organisational structure of white-collar unions in the United States generally follows that of the other unions here. The same general organizational structure of unions exists in the U. S. as in Sweden. The two major exceptions are:

(a) The existence of only one major federation of labor in America, the AFL-CIO, with no separate central federation for white-collar workers; and

(b) Generally no active employee clubs or company units exist as in Sweden (although some U. S. local unions may

16Aman, TCO, 1953, p. 20.
occasionally contain separate company units).

Regular white-collar unions in the United States are organized on a mixed basis, vertical (industrial) and horizontal (craft). As in Sweden, however, the trend is toward vertical organization. A major exception to this trend is the Office Employees International Union. Its jurisdiction or organizing extends to all office workers, regardless of trade or industry they work in. 17

The labor relations law governing the bargaining unit structure in the United States, in effect, calls for separate units of professionals from production workers. This has had a bearing on the structure of white-collar unions in the United States.

In addition to the structure of regular white-collar unions in the United States necessitated by the law governing bargaining units, a number of production-worker industrial unions have organized thousands of clerical, professional and technical employees in the manufacturing industry. 18

17Industrial Union Department, Labor Looks, p. 18.

Comparison of Collective Bargaining Systems

Similarities between collective bargaining in Sweden and the United States will be evident from the description that follows. However, one essential difference in the collective bargaining systems is the high degree of centralized bargaining that exists in Sweden. The AFL-CIO in America, for the most part, participates in no collective bargaining negotiations of affiliates and is not as instrumental in formulating bargaining policies as LO or TCO is in Sweden. Collective bargaining contracts are usually industry-wide in Sweden and on a company-by-company basis in the United States. 19

A good relationship exists between the employers, represented by their central organisation (SAF) and the workers, represented by LO or TCO. Collective bargaining in Sweden has a relatively long history of mutual acceptance. Ever since a general strike back in 1909, labor and management have respected each other. Each accepts the right of the other to organize for collective bargaining. Strikes or lockouts have been very rare since 1909.

In contrast to the feelings of some employers in America,

19Myers, Industrial Relations, p. 20.
most Swedish employers have no fears about the results of industry-wide bargaining. For example, a production director of one of Sweden's largest manufacturing companies reported that "we have had it in our industry for forty years and we are accustomed to it. I don't share the fears of American employers about its bad effects." 20 Another Swedish business executive noted that "industry-wide bargaining on a national basis may serve as an effective instrument of inflation-control, rather than becoming the great threat to economic stability as feared by so many employers and some economists in America." 21

Another major difference between the two collective bargaining systems is virtually universal acceptance of unionism by employers in Sweden as a permanent institution, as opposed to the attitude toward unionism by United States employers. A high-ranking officer of the Confederation of Swedish Employers (SAF) expressed the feeling of Swedish employers toward unions. He said that "I personally and most Swedish employers are quite aware of the importance for stable industrial relations of strong and well-balanced labor unions.

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20Ibid., p. 24.
21Ibid., p. 29.
Neither the employers' organizations nor any sensible individual employer in Sweden today would dream of destroying or weakening the Swedish trade union movement. 22 In Sweden there is nothing comparable to the right-to-work law movement which has received the support of many employers in the United States in recent years.

The three large centralized groups in Sweden usually engage in bargaining — the Confederation of Swedish Employers (SAF), the Confederation of Swedish Trade Unions (LO), and the Central Organization of Salaried Employees (TCO). They usually exercise considerable influence over their affiliates in collective bargaining matters. The executive officers of SAF have the final say in collective bargaining among employers. No collective bargaining contracts may be agreed to by individual companies without their approval. The same thing applies to lockouts. In LO, national unions must apply to LO executives for permission to strike an employer if it involves more than 3 percent of the union's membership. TCO doesn't exercise as much influence over its affiliates as the other two groups do. However, under its Constitution and By-Laws, TCO officials are entitled to take part in contract negotiations of affiliated unions.

22Ibid., p. 54
Wage negotiations are usually carried on at the local branch or club level, while other matters affecting working conditions are covered on an industry or national basis. In recent years, pattern-setting basic wage agreements have been negotiated between the TCO federation and employers. These basic agreements in turn are used as "a frame of reference" in reaching agreements at a local level.23

In addition to reaching collective agreements on economic matters, SAF and LO have signed a number of joint agreements on separate subjects. The first of these agreements was signed in 1938, after two years of talks. It called for means of settling disputes by the organizations themselves rather than having government regulations of labor-management disputes. Other joint agreements since that time include agreements covering: Factory Safety Committees (1942); Occupational Training (1944); Works Councils, or Labor-Management Committees (1946); and Time and Motion Studies (1948). TCO also signed the agreement on Works Councils.24

After 1936, due to passage of a law sanctioning it, collective bargaining with white-collar unions became generally

24 Myers, p. 2.
accepted in Sweden. Negotiations were traditionally carried out on a single work-unit basis, either a plant or office. In recent years, however, TCO has played a more and more active role in collective bargaining. Due to the emphasis on centralized bargaining, the desire of labor, management and government to keep wages and prices within reasonable limits, and organization of employers into large associations, TCO has been spurred toward more centralized bargaining. TCO supplies affiliates with up-to-date research material or the conditions of their companies and salaries paid for various white-collar jobs in their region and fields.

As mentioned before, future collective bargaining proposals are discussed at central conferences arranged by TCO, or at meetings of the General Council. Special contract clauses have also been inserted in local agreements at the recommendation of TCO.

In bargaining with municipal authorities, TCO plays a major part. Direct negotiations are carried on through TCO's Municipal Salaried Employees Committee. However, such bargaining sessions are attended by representatives of the local branch group concerned. Government employees have the right to bargain collectively in fact, though this widely-accepted right has not yet been recognized by law.
Among the few laws in effect dealing with collective bargaining is the Right of Association and Negotiation Act passed in 1936. It was specifically aimed at encouraging collective bargaining between salaried employees and their employers.\(^\text{25}\) It also protected the right of employers to organize and bargain collectively. The significance of this law was discussed at length in Chapter III.

Another major law passed in Sweden was the "Law of Collective Agreements." Enacted on June 22, 1928, it laid down rules governing collective bargaining agreements. For example, it provided that agreements be written, that they be binding on all members covered, and that no strike could take place during the term of a contract.\(^\text{26}\) The law also set up a Labor Court for the arbitration of contract differences. The court tribunal consists of seven members, two from labor, two from management, and three impartial members, one of whom is the chairman, appointed by the government. The chairman and one public member must have judicial training, while the third impartial member must be a person with special insight and

\(^{25}\text{Aman, TCQ, 1953, p. 26.}\)

\(^{26}\text{Bertil Bolin, "State Intervention in Industrial Relations," Fackforeningsrörelsen (August 1961), 11.}\)
experience in industrial relations.27

The Swedish salaried employees union movement has a policy regarding salaries aimed at a substantial spread of differentiation between individuals according to their type of work. This differs vastly from the non-white-collar unions whose wage increases are based on the "policy of solidarity" — aimed at increasing wages about the same for all classifications of work. The salaried employees' unions lay great stress on factors such as training, experience, and responsibility, when bargaining for wage increases. Usually salaried employees' unions bargain for percentage wage increases rather than cents-per-hour raises.

Swedish unions do not put as much emphasis on seniority for promotions or layoffs in their collective bargaining agreements as do American unions.28 This is particularly true in salaried employees' contracts where emphasis for promotion and advancement is placed on merit and ability.29

27Ibid.
28Myers, p. 108
29Ibid., p. 100
Neither union-shop or check-off provisions are found in any of the industry-wide agreements. This has not, however, been a stumbling block to mature industrial relations in Sweden, since union membership has been so nearly universal. Union dues are collected in the plants or offices by union representatives who operate on a commission basis. For this reason, the union itself would undoubtedly object to a check-off of union dues.

A unique feature of the collective bargaining system in Sweden is the labor-management joint committees in plants or offices. They are often called enterprise or works councils. These works councils were established by an agreement in 1946 between the employers' confederation (SAF) and the two largest union federations, LO and TCO.30

These joint committees usually meet quarterly to learn from the employer vital information about production, sales, employment, and the financial situation of the company. These matters, as well as "gripes" about general working conditions of the plant or office, seem to take up most of the time of these works councils.31 In other words, they serve as a formal channel of communications.


31 Myers, p. 109.
In addition, labor and management in Sweden have an organized system for making recommendations prior to negotiations involving disputes on layoff and possible strikes that affect the public interest. These recommendations are channeled through the Labor Market Board, which is made up of three representatives from each of the three large federations (SAF, LO, and TCO). Recommendations are handed down to the national union and employer involved, who in turn enter into collective bargaining with the recommendations in mind.32

32De Scheinitz, p. 1039-1040.
The thesis submitted by Francis Joseph McVeigh has been read and approved by three members of the faculty of the Institute of Social and Industrial Relations.

The final copies have been examined by the director of the thesis and the signature which appears below verifies the fact that any necessary changes have been incorporated and that the thesis is now given final approval with reference to content, form, and mechanical accuracy.

The thesis is therefore accepted in partial fulfillment of the requirements for the Degree of Master of Social and Industrial Relations.

April 9, 1963

Date

Signature of Advisor