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What Do Unions Do? by Richard B. Freeman; James L. Medoff
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Thus far it is clear that individual congressmen have adapted the computer to their prevailing modes of operation. Even so, there have been some system-wide effects that the computer has accelerated, if not caused. The widespread availability of tax and budget simulation information has worked with the other changes of the 1970s to decentralize power away from committee chairs and limit the influence of “experience and expertise” (p. 237). Frantzich suggests that the ultimate impact of this decentralization is more conflict on the floor of each house and less willingness to compromise. The computer has changed the role and qualifications of the staff, requiring that some staff members in each office be knowledgeable about information processing. Computers have established whole new sets of ethical problems, ranging from whether partisan political information is being maintained in tax-supported mailing lists to a vast potential for invading individual privacy. Obtaining information on the legislative success of congressmen is “much more laborious than would be possible if Congress really wanted to share this information” (p. 219).

On balance, Frantzich finds that computers have had a positive impact upon Congress, but he also considers that their impact is just beginning. Overall, this is a solid, professional contribution to the literature on Congress and the literature on public-sector applications of computing. It is written in such a way that specialists in either area can read it and profit. I strongly recommend it.

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At a time when unions are being dealt crushing blows in the nation’s workplaces and when they are in ideological and political retreat, along comes a scholarly work, bearing much evidence in the union’s defense, written by two Harvard economists committed to the survival of the free enterprise system. Freeman and Medoff are confident that their heavy mining of several cross-sectional and longitudinal data bases and the sophisticated multivariate analyses they undertook can provide valid quantitative estimates of what unions do, and thus correct the largely impressionistic (and negative) view of unions that prevails currently.

The picture that emerges from a series of short but pithy chapters examining the unions’ effect on wages, fringe benefits, productivity, and wage inequality is that, on balance, unions do much social good. This is not to deny that unions have bad effects through their monopoly power to raise wages above true market levels, only that these effects are small and outweighed by the good effects of the “voice/response” mechanism the unions encourage. Thus, although unions manage to obtain substantially higher wages and fringe benefits for their members over comparable nonunion workers (the wage premium in the 1970s was on the order of 20 to 30%), they do not, on balance, increase wage inequality within the whole economy. In fact, because much of the overall wage inequality is accounted for by within-plant inequality, the unions’ pursuit of wage solidarity within (and across) establishments tends to reduce wage inequality by around 3%. Moreover, the threat of unionization has “sizable positive spillovers” (p. 155) for some nonunion workers in that it induces businesses to emulate the compensation package won by unions to forestall a unionization drive. Freeman and Medoff maintain that this indicates that “unionism represents the preferences of the majority of workers better than the market can,” otherwise the nonunion firm could “safely ignore what unions do” (p. 151).

Further, the voice provided workers through union-won grievance and arbitration procedures reduces the probability that workers will quit their jobs when they are dissatisfied. The much lower level of quits in union firms is estimated to increase GNP (i.e., social welfare) by 0.2 to 0.3%, balancing out almost entirely the welfare loss due to union monopoly wage gains. Moreover, the lower quits reduce the costs of job training and recruitment and increase the on-the-job experience of workers, which, when coupled with a positive management response, tend to increase productivity, an obvious social benefit.

One is driven to ask why, given these generally favorable effects of unions, there has been a precipitous decline in the percentage of the work force that is unionized and in union successes in NLRB elections. It turns out that managerial opposition in the form of “tough legal campaigns,” illegal actions (e.g., one in 20 workers voting for a union in elections got fired), and “positive labor relations” have increased by “leaps and bounds” and are the primary reasons for the “strangulation of private sector unionism” (pp. 230-239). Indeed, this managerial opposition is rational, because unions tend to lower profits by anywhere from 10 to 30% (although this effect occurs mainly in highly concentrated industries). Further, and despite the authors’ claims, it is not at all clear that unions increase productivity. The studies they cite show a mixed picture, and their contention that restricted managerial flexibility (i.e., control) is unlikely to lower productivity substantially is not supported in many studies, which they
don't cite. They are thus compelled to conclude rather lamely that whether productivity goes up or down in unionized firms depends largely on whether industrial relations are "good" or "bad" (p. 165), without describing in any detail the kinds of workplace social relations that deserve each adjective. This is not much of an inducement to management to accept unions.

Frohock and Medoff are somewhat puzzled by the contradictory impact of unions on capital on the one hand, and labor and the general good on the other. Nevertheless, they believe that the "paradox of American unionism" (p. 248) can be resolved by all sides giving up something. Union monopoly power should be reduced by increased deregulation and open competition in product markets and by unions voluntarily using their economic power more judiciously. Business opposition to unions should be curtailed by labor law reform. And finally, both sides need to work together and to "entertain innovations in their modes of dealing with one another" (p. 249).

Frohock and Medoff have produced a valuable work, full of useful and carefully arrived at empirical findings. However, their view of unionism's impact as paradoxical and their carefully balanced recommendations illustrate the naivete of their assumptions and the dangers of not fully integrating the various aspects of unionism into developments in the wider political economy.

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This search for a "rational abortion practice" which would resolve the dispute between the advocates of choice and the opponents of abortion seems quixotic from the outset. Frohock seeks a theoretical basis for understanding the abortion dispute as a necessary precondition to an acceptable public policy compromise. He finds that the moral arguments stumble over basic disagreement about the definition of human. The legal resolution in Roe v. Wade is found wanting largely because viability is too ambiguous a concept to serve as a dividing line between appropriately public (a state's compelling interest in the fetus) and private (the woman's right to autonomy) decisions.

To illustrate the complexities of the interaction of morals and politics on the abortion question, Frohock quotes at length from interviews conducted with activists from both sides of the abortion controversy. Although Frohock uses the interviews to illuminate his philosophical treatment of the issue with the intense light of reality, the interludes of discussion tend to diffuse the theoretical thrust of the argument. In addition, the impact of the activists' personal views is muted by Frohock's initial insistence, to prove either his objectivity or the difficulty of the undertaking, that he disagreed with most of them most of the time.

The book is marred by carelessness about detail. "Embryo" is a term for the earliest stage of the development of an organism (in the human species, about the first eight weeks); "fetus" is correctly used for the later stages of development. To assign these terms, as Frohock does, to groups with opposing definitions of when life begins is to obfuscate, not to clarify, the language of the debate (p. 29). In Roe v. Wade, the U.S. Supreme Court upheld the outcome, but not the opinion, of the lower court, which had relied on the Ninth Amendment. The Supreme Court found protection for a woman's privacy in the liberty of the due process clause of the Fourteenth Amendment (p. 63). Senator Dick Clark was not from Ohio, and empirical studies do not support the conclusion that he or other incumbents were defeated by single-issue abortion-related voting (p. 116).

More important, however, is the focus of the book, its policy prescription. Frohock argues that because the moral issues are unresolvable, a political compromise should be reached. He does not suggest a process that might bring this issue into the traditional bargaining mode of American policymaking. But the components that he believes should be acceptable to both sides include the availability of abortion in the first trimester and its prohibition in the second and third. Because of the difficulties associated with clear demarcation between trimesters, he recommends against the use of criminal penalties as a regulatory tool. He would, however, balance this permissiveness with the denial of public funding for abortion from general tax revenues. A tax check-off system would be acceptable, however, so that willing taxpayers could volunteer their resources for this purpose.

Several critical issues are unresolved by this recommended "social practice." Judicially established rights (here, to second-trimester abortions) cannot be simply bargained away. Although Frohock recognizes the pressing problem of teenage pregnancy and admits that "only the most organized and diligent women" could benefit from first-trimester-only rules (p. 69), he fails in the final chapter to address the problem of the pregnant child, whose abortion decision is most likely to be postponed owing to fear or ignorance. The tax check-off device, which opens endless possibilities of private preferences for public