

## Reinventing Organized Labor in the Wal-Mart Economy

# Retail Rebellion

by Brian Tierney

In 1962, Arkansas businessman Sam Walton opened the first Wal-Mart discount store, setting in motion the rapid ascendance of a corporate giant that would redefine markets around the world. With its focus on competitive prices and vast distribution networks that revolutionized the industry, Wal-Mart grew over the course of the 20th century to become the world's largest company.

Today, its retail empire covers 15 countries with over 8,900 stores employing 2.2 million people. Like all empires, its success is built on contradictions and exploitation.

It's no secret that Wal-Mart's low-cost business model relies heavily on paying its employees what can reasonably be called poverty wages. The average worker makes about \$8.80 an hour. Even a full-time employee makes roughly \$15,500 per year, well below the official poverty line for a family of four. Wal-Mart's low pay and poor-to-nonexistent benefits forces many of its workers to turn to public assistance in order to survive.

These conditions extend beyond the boundaries of Wal-Mart's own business. As a dominating force in the global economy, Wal-Mart is a standard bearer across multiple industries. Its model of cost-cutting and squeezing workers has been adopted by competitors, suppliers and contractors alike.

Substandard wages are just one facet of the Wal-Mart economy — just as notably, its stores have resisted workers' attempts to unionize for their entire history. A recent wave of strikes by workers at Wal-Mart stores and warehouses in the US has challenged the mega-retailer's sophisticated anti-union machinery. That machinery runs on a combination of intimidation, harassment, illegal firings, court injunctions, and systematic anti-union inoculation.

Wal-Mart has successfully beaten back every

on constant alert for any signs of organizing among store associates, and derides labor unions as "a big business."

In 2000, the United Food and Commercial Workers International Union (UFCW) successfully

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organized meat cutters at a Wal-Mart store in Texas. The company responded by closing its 180 meat counters and replacing them with prepackaged cuts. Wal-Mart staved off other organizing efforts by UFCW and the Service Employees In-

ternational Union (SEIU) in the 1990s and 2000s, and it quashed an earlier Teamster campaign to organize drivers in the 1980s.

Then something different started happening in 2012.

In June, workers at CJ's Seafood, a Wal-Mart supplier in Louisiana, went on strike against wage theft and threats by management. The workers' bold action forced Wal-Mart to drop the supplier, while the Labor Department ordered CJ's to pay over \$200,000 in back wages. This spark ignited a much larger and unprecedented wave of strikes that spread through Wal-Mart's supply chain and hit hundreds of its stores nationwide.

Wal-Mart warehouse workers in Southern California and Illinois launched a historic campaign in September. Under the banners of Warehouse Workers United and Warehouse Workers for Justice — two groups formed by the Change to Win labor federation and the United Electrical Workers (UE), respectively — workers and activists engaged in a series of walkouts and acts of civil disobedience highlighting dangerous working conditions, wage theft and intimidation.

Although it does not directly employ the striking warehouse workers, Wal-Mart was the target of worker protests because it dictates industry standards for contractors in its network of distribution centers. In January 2013, a California judge named Wal-Mart as a defendant in a class action suit over wage theft at contractor warehouses, boosting warehouse workers' claim that Wal-Mart is responsible

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attempt at unionization among its US employees since the 1970s. But the latest surge of labor unrest may signal a turning point for Wal-Mart and its workers — and the labor movement.

Wal-Mart has sparred with many groups that have raised concerns about its business practices, including community organizations, environmental groups and class actions. But robust "union avoidance" has been at the center of its operations for decades. A 1997 manual titled "A Manager's Guide to Remaining Union-Free" instructs managers to be

for conditions at supplier facilities. After 21 days on strike in September, Illinois warehouse workers won their principal demand for an end to company retaliation and received full back pay for the days they were out on strike.

### Acting like a union

Inspired by this victory and the new vulnerability of Wal-Mart that it exposed, store employees struck at 30 locations in 12 states in October 2012. More job actions at other stores the following month helped to build momentum for the big day of action on Black Friday, the busiest shopping day of the year.

The Black Friday Rebellion was a massive step forward for the movement to change Wal-Mart. Hundreds of store employees and thousands of supporters in 46 states took part in walkouts and rallies, demanding living wages, better conditions and respect on the job. The actions were buoyed by the effective use of traditional and social media that helped spread the walkouts and win public sympathy for the strikers.

Even while company spokespersons diminished the strikes and called them mere “publicity stunts,” Wal-Mart filed an unfair labor practice charge with the National Labor Relations Board, arguing that the rolling pickets were illegal because the workers had not begun working toward an NLRB election for union representation. But the new worker-powered formation that coordinated the Black Friday strikes has been clear that is it separate from UFCW. The Organization United for Respect at Wal-Mart, or OUR Wal-Mart, is not a union. Although it is supported by UFCW and its community coalition, Making Change at Wal-Mart, OUR Wal-Mart’s protests are aimed at pressuring Wal-Mart to improve working conditions, not unionization.

This is perhaps the most important thing to understand about the recent strikes at Wal-Mart stores and what sets them apart from previous campaigns. Workers and labor organizers know that Wal-Mart has mastered the process of cutting down traditional union organizing drives; now they are attempting to apply a different model of workplace organizing that circumvents the typical roadblocks built in to US labor laws.

The alternative organizing strategies being attempted by Wal-Mart workers could have implications throughout the labor movement. In particular, their emphasis on industry-wide mobilizing, disruptive tactics, and self-organization could help inject a new militancy into labor struggle.

OUR Wal-Mart is a membership-based organization whose strength is

defined by the size and activity of its membership rather than foundation funding and non-profit expertise. It began a year and a half ago with fewer than 100 members. Today it has over 1,000 members in chapters across 43 states. While it’s still too small to have a decisive impact on Wal-Mart’s operations, its rapid growth and appeal among Wal-Mart workers

joining its ranks is remarkable.

Using management retaliation charges as the basis for work stoppages, OUR Wal-Mart is able to secure some legal protection for non-union workers who otherwise have little recourse in taking collective action against their employer. Ultimately, OUR Wal-Mart members would like to unionize Wal-Mart stores, but that isn’t the immediate goal. For now, organizers are focused on growing an organization which they describe as “open source” in that it functions as a network providing tools for workers

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to self-organize.

“Workers can engage in actions that both make them feel powerful and that impact the company, and they don’t need to just spend their life waiting for some [government-supervised] processes to demonstrate they want a union,” former SEIU organizer Stephen Lerner told The Nation. Lerner, the originator of the Justice for Janitors campaign, ar-



“Yes...yes...another one of those tiresome payday.  
The penny jar is in the corner.”



"We checked your references and you've been laid off from your last 5 jobs. Good preparation for this company."

Carol Simpson Cartoons © 2012

gues that what's important about OUR Wal-Mart is that it's acting like a union.

### Striking back against the war on workers

Another important part of the new Wal-Mart campaign is the climate in which it's unfolding.

In 2012, two new states joined the ranks of so-called "right to work" states, bringing crippling restrictions on the collection of union dues to a region that has historically been a stronghold for labor. If the passage of right-to-work-for-less legislation in Indiana earlier in the year was a painful strike against unions, its recent and sudden passage in Michigan, the birthplace of the modern labor movement, was a devastating body blow.

Against this backdrop, it is significant that Wal-Mart workers have chosen to go on the offensive. Workers are being battered in the private and public sectors, and unions have been making huge concessions in industries that have typically been more

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union-friendly in the past. Wal-Mart workers have linked arms with allies in the labor movement to mount a highly organized and aggressive campaign in an environment that is quintessentially anti-labor.

"Wal-Mart has designed a particular business model that demands inhumane and unsustainable working situations and poverty wages," says UE Political Action Director Chris Townsend. "At a certain point, workers rebel, they push back. Wal-Mart and the employers who imitate Wal-Mart rely on astronomical turnover as a safety valve. But when workers stay on the job — now because of sheer desperation — more and more will choose to fight back rather than quit."

Wal-Mart isn't the only place where workforce turmoil has given way to tenacity. On November 28, some 200 fast food workers from dozens of New York City restaurants staged a flash strike. Protest-

ing the notorious low wages of fast food chains like McDonald's, Burger King and Taco Bell, workers risked retaliation and walked off the job in a rare strike targeting a mostly non-union industry. With the support of New York Communities for Change, the workers formed the Fast Food Workers Committee and have been aided by other community-based groups and SEIU.

Unlike OUR Wal-Mart, the fast food workers are explicitly demanding a fair process to unionize at their restaurants. But the workers, most of whom make little more than minimum wage, are also asking for a raise to \$15 an hour. It's a bold demand, but it's one that Townsend argues is desperately needed if labor is going to survive as a movement.

"One of the tragedies of the current moment is that just at the time when wages have hit sub-poverty levels, the labor movement as a whole is afraid to ask for a raise, or even resist the wage-cutting offensive of the employers," he says. "Asking for a raise has been replaced by elaborate begging for 'shared sacrifice.' That's not going to inspire anyone to join a union. Militant struggles demanding a raise are long overdue, especially in low-wage industries like retail and fast food."

### A new era for organized labor?

The organizing model being pursued by both OUR Wal-Mart and the Fast Food Workers Committee — using strikes to raise workplace demands prior to unionization — could point to a new era for organized labor in the US as it adapts to an increasingly adversarial corporate and political environment.

Under the NLRB structure, unions gain recognition to represent workers based on exclusive representation of an entire worksite after majority support is demonstrated. Companies like Wal-Mart easily use this structure to their advantage in blocking union drives, and the penalties they suffer for breaking the law are negligible at best.

That's why organized labor and Wal-Mart workers have turned to a model that resembles what's known as minority unionism, a strategy that involves collective action to press for change before majority support among the workforce has been reached. It also relies on the collaboration among different unions to mobilize workers on a regional basis.

As labor reporter Josh Eidelson writes, union leverage under this model doesn't hinge on majority representation at a single worksite. Instead, Wal-Mart workers and organizers "are hoping that aggressive strikes will make majority support possible, rather than the other way around."

However, the minority union model at Wal-Mart is still experimental and its paradigm-shifting possibilities are yet to be seen.

"Most of the work is shaped and led in NGO form, and not traditional union form," says Townsend. "That's not necessarily a 'right' or 'wrong' issue, but as is the case with all organizing, the ultimate goal is to construct union organizational

structures which can continue as effective forces once the initial paid staff and NGO staff move on.”

Townsend argues that not many of the organizing efforts being undertaken — including UE’s — could stand for long without outside support, owing to Wal-Mart’s fierce anti-union attacks.

Certainly, the wave of walkouts and protests in 2012 mark only the beginning of what will necessarily be a years-long campaign for justice at Wal-Mart. But the workers have already made history by putting their jobs on the line and standing up against a juggernaut.

If there is a tipping point in the struggle between corporate America and workers, then we are surely on the verge of breaching it. Workers are being backed into a corner and increasingly have little to lose in fighting back. While companies like Wal-Mart and McDonald’s have been abusing employ-

er-friendly labor laws for decades to keep wages low and unions out of their businesses, corporate lobbyists and conservative billionaires have teamed up with politicians to chip away at the few protections and rights afforded to workers under existing labor law.

Wal-Mart workers — who for so long have stood outside of the labor movement — may be clearing a new path toward a revived labor movement in the US. If they should fail, the race to the bottom for workers will continue uninterrupted.

But if they win, it will mean nothing less than the surrender of an empire and a path-breaking comeback for the working class.

Brian Tierney is an independent labor journalist in Washington, DC. This article was originally published in *Subterranean Dispatches* ([www.subterraneandispatches.wordpress.com/](http://www.subterraneandispatches.wordpress.com/)), and more of Tierney’s work can be read there.

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