

Erlich, Mark (2023) *The Way We Build: Restoring Dignity To Construction Work*. University of Illinois Press.

Review by Richard Rowe

Mark Erlich offers up an insider's view of the state of the American building trades today. In an honest, straightforward manner, he explains where we are today and how we got here. He also has some ideas on how the conditions of labor for American construction workers can be improved in the future.

Erlich joined the Carpenters union in 1975. He put on his boots, hard hat, and tool belt and went to work as an apprentice, then journeyman, foreman and eventually superintendent. In 1988 Mark started working full-time for the union in various capacities, including as Organizing Director and then Secretary-Treasurer of the New England Regional Council of Carpenters, where he stayed until his retirement in 2017. He knows his subject.

Mark became a carpenter during an era when union building tradesmen were still considered the aristocrats of the American labor movement. Union construction workers enjoyed higher wages than most blue-collar workers, with benefit packages that included health care and retirement plans. They also generally had more autonomy in their workplaces. In 1947, 87% of the construction industry was union. Some trades were even higher than that. By 1985 union density had dropped to 23.5%. Today it stands at 13.4%. What happened in such a relatively brief period of time?

Erlich explains that one of the main factors was that the major users of construction services, America's large industries, wanted to cut their construction costs to increase their profits. They felt general contractors that were signatory to union contracts did little to contain costs and just passed them on to the end user. In 1969 these large corporations formed a group called the Construction Users Anti-Inflation Roundtable, later renamed the Business Roundtable in 1972. Their goal was to reduce inflationary building costs and rein in what they felt was excessive union power. Namely, the power to elevate wages and control the day-to-day culture on the job site. They felt that the contractors had too cozy of a relationship with the unions, and they wanted to realign those loyalties to put the construction user first. While the Business Roundtable often stated that they wanted to introduce modern labor-saving technologies to the construction sites, they were more often content with merely lowering wages.

Members of the Business Roundtable pledged to use only non-union contractors on their projects. They supported the expansion of the Associated Builders and Contractors (ABC) as a counterweight to the Associated General Contractors or AGC that represented contractors that were usually signatory to a collective bargaining agreement.

When President Ronald Reagan fired the PATCO workers in 1981, it sent a signal that unions couldn't expect much help from Washington. Employers saw this as an opportunity to drastically cut their labor costs. As more major projects were being let to non-union contractors, many construction unions felt that they had to resort to concessionary bargaining to compete. The non-union contractors merely lowered their wage, and in a downward spiral the wage floor was lowered for all construction workers. Non-union contractors gained strength, became larger and made inroads in areas where union construction had been the norm.

Federal and state prevailing wage laws protect union jobs on publicly funded projects. But the repeal of many state laws beginning in the late 1970's and early 80's further eroded union density in the industry. Perhaps the most serious blow was the misclassification of workers due in part to the enactment of Section 530 of the Revenue Act. This presented non-union contractors with the opportunity to re-classify their employees as independent contractors. By luring their workforce with a slightly higher wage to be independent contractors they were able to pass the responsibility of paying taxes, workers' comp insurance, liability insurance etc. on to the workers. Needless to say, taxes and insurance premiums were rarely paid. The advantage to non-union contractors was becoming insurmountable, and union contractors became the exception, especially in the south and west.

Erlach does not place all the blame for the building trades' current condition solely on the Business Roundtable. The building trades unions themselves must share some of the responsibility. Long viewed as the conservative wing of the American labor movement, the building trades tenaciously clung to the model of craft unionism. If any organizing did take place, it was usually top-down, signing up the contractor but not taking in any new members outside the apprenticeship system. Admission to apprenticeship programs was usually restricted to members' sons, relatives or friends, meaning people of color and women were denied opportunities to learn the craft through the union. During booms in the industry, additional workers were given temporary work permits but denied membership in the local. These permit workers were the first to be laid off regardless of how productive they were on the job site in favor of local union members. We taught these temporary workers a craft and then denied them union membership, creating a skilled, potentially non-union work force.

Most building trades union members were reluctant to organize new members, viewing apprenticeship as the only path to union membership. With the growing influence of the Business Roundtable and newfound strength of ABC contractors, the light bulb started to go on in the early 1990's. COMET (Construction Organizing Membership Education Training) was a three-hour training program aimed at local union membership in an attempt to reverse local unions' aversion to organizing. COMET resulted in some modest gains in organizing new members, but it did not reverse the basic trajectory of the decline.

Exploitation of undocumented workers by unscrupulous contractors was another serious problem for organizers. These workers, who were misclassified as independent contractors were also quite often victims of wage theft. They were reluctant to communicate with organizers under fear of being reported to I.C.E. and deported. The author argues that state and federal regulatory agencies need to do their part in creating a safe and fair work site and level playing field for honest, legitimate contractors.

Erlich points out that the building trades unions must be honest with themselves to rebuild a better future. Craft pride, a commitment to training with the effectiveness of sectoral multi-employer collective bargaining are all good but this must be coupled with a renewed commitment to organizing the un-organized. A diverse membership that better represents the communities in which they work and an educated, politically active membership are the keys to a better future. This short book is most relevant for building trades workers (union or not), but it will be rewarding for anyone interested in the US labor movement and this vital and changing part of the American working class.

Reviewer Bio

Richard Rowe is a 53-year member of the Architectural and Ornamental Iron Workers Local 63 in Chicago. He served 25 years as an officer, organizer and Business Agent for his local. Rich is also a labor historian and author of *The History of the Architectural Iron Workers Union of Chicago Local 63*.