When management strikes: PATCO and the British miners

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In this article the author analyses the parallels and differences between the Federal Government's strong actions against air traffic controllers and the British Government's assault upon striking coalminers.

This article reviews the 1981 Professional Air Traffic Controllers Organization, AFL-CIO (PATCO) strike and argues that it taught the Thatcher government that (as an employer) a national government could achieve broad political gains if the testing ground and forum for its policies is a dramatic confrontation with a labor union. The PATCO strike, combined with the 1981-82 recession, was a watershed event in American industrial relations. The 1984-5 British National Union of Mineworkers (NUM) strike, combined with the changing British labor laws, may also be a juncture point for the British labor movement and British system of industrial relations. Not only do recent changes in British labor law embody longstanding features of the US industrial relations system (regulations of strikes, picketing and union governance), but the American air controllers strike in 1981 demonstrated that strikes can erode a national labor movement's economic influence and strengthen a national government's political program.

Prime Minister Thatcher and President Reagan share a similar economic philosophy and corresponding program, commonly referred to as 'monetarism' in Britain and 'supply-side economics' in the US, that challenges traditional Keynesian policies of government-managed business cycles and income redistribution. Supply-side and monetarist theorists assert that real (non-inflationary) growth is achieved only when producers' costs fall, a fall caused by such factors as declining labor costs, lower corporate taxes, and/or deregulation. The theory had (and has) obvious public policy implications for organized labor. Since unions resist wage decreases, press for improvements in the social wage (and the taxes that provide them), and impinge on managerial control, supply-side/monetarist policies work best when unions are weak.

The Thatcher and Reagan Administrations faced less than ideal political and social environments in which to implement their programs. Decreasing the social and private wage, restructuring the tax code and industry regulations to favor business, dismantling longstanding labor/management relationships and privatizing nationalized industries, required delicate strategy. While unions in both nations remain unfashionable, corporations themselves do not receive much more respect; they are seen as too powerful and not always socially responsible. The supply-side/monetarist theory requires making conditions comfortable for the private sector, but blatant pro-corporate policies would be suspect in the post President Nixon and Prime Minister Heath era[1]. The 1981 PATCO strike and the 1984-85 NUM strike allowed both governments to...
publically question labor unions' legitimate role in society. In addition, both strikes gave the Thatcher and Reagan Administration real gains because both strikes exposed and aggravated the uncertain links within the labor movement and between the union leadership and their members.

When management wants a strike

The strike has a paradoxical role in maintaining industrial peace: unions gain employer recognition and serious regard by hindering (or threatening to hinder) consumers. Some employers may only negotiate under a real strike threat, a possibility well understood by industrial relations scholars and practitioners (and a widely cited reason why the right to strike exists in the US), yet the public associates unions alone with the resulting commodity shortages. The strike is conspicuous; in fact, it may be the only time the public observes conflict between labor and management. Since labor is the moving party, management, no matter how aggressive, seems passive and innocent during a strike.

Not only do strikes turn public opinion away from unions, they can shift it in favor of management. Decades of experience with a system that depends on periodic strikes to function leaves the public with the belief that unions cause shortages while employers supply jobs and goods. For example, production losses from occupational illnesses and accidents alone far outweigh losses from strikes, but the strike loss is more conspicuous. See Table One.

Labor's social standing is further undermined if a strike is perceived as violent, illegal or otherwise anti-social. If the union's demands seem unwarranted or greedy then organized labor's entire legitimacy is questioned. (The rude and roughly attired guest attracts the host's suspicion while those more gracious and better-dressed steal their host's silverware.) The ability of the 'right to strike' to extend countervailing power to labor is limited because both the law and public approbation establish boundaries for legitimate union influence and management behavior (such as management's decision to hire strike breakers). Public criticism and suspicion erodes unions' effectiveness.

Because of the strike's conspicuous and provocative features an employer could benefit from a strike with particular characteristics. The PATCO and NUM strikes had just such management-preferred content. Since unions' social legitimacy stems from their role as workers' representatives, a strike that separates a union from its members, and union goals from the public interest, benefits management. Assuming management can withstand the cost, a management-benefiting strike is one that causes internal union dissension, weakens interunion solidarity, makes union negotiating conduct seem obdurate and violent and union goals seem anti-productivity growth and greedy. Thus, strikes can help create public approval for favorable policies towards producers without seeming corporatist. Strikes can diminish organized labor's social legitimacy and, therefore, by default, improve management's position.

The circumstances leading up to the NUM and PATCO strikes suggest Prime Minister Thatcher and President Reagan welcomed the strikes for the opportunity to swing pub-

**Table 1: Characteristics of US strikes in 1982**

<table>
<thead>
<tr>
<th>Sector:</th>
<th>Manufacturing</th>
<th>NonManufacturing</th>
<th>Construction</th>
</tr>
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<tbody>
<tr>
<td>Number of Strikes</td>
<td>23</td>
<td>27</td>
<td>30</td>
</tr>
<tr>
<td>Average length</td>
<td>54 days</td>
<td>34 days</td>
<td>27 days</td>
</tr>
<tr>
<td>Days Lost</td>
<td>3,897,680</td>
<td>2,457,000</td>
<td>1,770,900</td>
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<tr>
<td>Days Lost Per</td>
<td></td>
<td></td>
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<tr>
<td>Wrkr. due to Strikes</td>
<td>.20</td>
<td>.04</td>
<td>.32</td>
</tr>
<tr>
<td>Days Lost Per</td>
<td>.75</td>
<td>.42</td>
<td>1.15</td>
</tr>
<tr>
<td>Wrkr. due to Occupational Illness and Accidents</td>
<td>.20</td>
<td>.04</td>
<td>.32</td>
</tr>
</tbody>
</table>

lic sentiment towards their policies. In fact, Prime Minister Thatcher is accused of directly planning for and provoking the British coal strike. A seven-year-old Conservative Party document on privatization, the Ridley Report, an internal document leaked to and printed by *The Economist* in 1978, predicted the 'battleground' for the Conservative Party's plans (which specify rate of return goals for State-owned industries) would most likely be the coal fields.

On March 6, 1984 the National Coal Board announced the imminent closing of Cortonwood Colliery pit in Yorkshire, a pit many miners had just relocated to after leaving closed pit communities and being promised five years of employment at Cortonwood. These unilaterally-conceived initiatives violated the 1974 Plan For Coal, negotiated by the NUM and the NCB, which specifically made pit closures subject to a colliery review procedure. The fact that the miner's strike concerned, as the Report predicted, the future of pit communities and the larger issue of the role of State-owned enterprises is evidence, NUM supporters generally assert, that the Thatcher government intended the 1984/85 coal strike to show nationalization and social welfare planning are outdated economic agendas. The NUM strike was an instructor's aid for the professors in the free market school of political economy.

American observers don't blame President Reagan for starting the PATCO strike, although an inflexible employer always risks incurring a strike, but they do agree that once the controllers struck, President Reagan was able to capitalize on the strike and, as described in an article by American scholar Herbert Northrup, make an investment towards maintaining the integrity of the strike ban for federal employees.[4] The PATCO strike was, in Northup's opinion, proof that public employees should not have the right to strike. In addition, the strike had broad implications for subsequent public sector labor negotiations, especially with the post office workers. Audrey Freeman, the labor economist for The Conference Board, a business research group, describes the implications for public employees as a "clear cut message (to public employees). We can replace you."[5]

Before drawing conclusions from the similarities between the PATCO and the NUM strikes, the legal contexts of both strikes need analysis. Thatcher and Reagan's particular labor policies complement the rapid changes in labor law enforcement, interpretation, and statute rewriting occurring in both nations; the legal and social environments for both strikes were similar. The Reagan Administration's conduct in the PATCO strike would have been a good predictor for the NBC's behavior in the NUM strike.

**United States and British labor law**

The relationship between British and American labor law has an ironic twist. Up until the passage of the National Labor Relations Act (NLRA) in 1935 the Americans followed British traditions and based US labor law on the British common law doctrine.† Now, in the 1980s, Britain is following the American practice to institutionalize the union and regulate internal union affairs. This has the effect of separating workers from their unions. However, the shop floor movement in Britain (and the higher degree of class consciousness in Britain), along with the relative lack of legal constraints throughout the greater part of this century, make the British unions 'closer' to members. The surgery required to separate British workers from their unions needs to be more intricate.

A substantial portion of Prime Minister Thatcher's labor law changes are steps in this surgery, they represent transitions to American-type practices and custom that

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* Note also the recently reported chapter in a forthcoming book by Mr MacGregor, 'How we made Scargill start the strike' (*The Guardian*, 28 February 1986). This was later denied by Downing Street followed by Mr MacGregor.

† The criminal conspiracy doctrine was the hallmark of both British and American labor law up to the first part of this century. At that point the British Trade Union Disputes Act of 1906 granted unions immunity from civil prosecution when engaged in trade disputes. But American labor law continued to regard unions as illegal organizations until Congress and the Roosevelt administration responded to the unions’ pleas for protection from employers' violent opposition with the Norris-LaGuardia Act of 1932 and the 1935 National Labor Relations Act (NLRA), the Wagner Act. The NLRA did not continue the American tradition of mimicking British labor law principles. The NLRA defines and protects workers’ rights to join unions and engage in concerted activity. The principles underlying British labor law, in contrast, were ‘laissez-faire’ and ‘non-interventionist’.[6]

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define a union’s relationship to its members.

For fifty years American law helped shape the structure of American unions. The NLRA requires employers to recognize their employees’ ‘legally designated’ representative and engage in collective bargaining, conducted in (again defined by the statute) a ‘good faith’ manner. In exchange for this protection American unions implicitly agreed that the law could define their legitimacy, in order that their employers be legally bound to their collectively-bargained contracts. A standard interpretation of American Unions’ rights and responsibilities is that a union, under the Wagner Act, is a quasi-governmental institution (installed in the manner of a Congressional member who gains legitimacy by winning a majority vote), one that is able to negotiate contracts that have similar status to that of laws passed by Congress[7]. American dependence on the law make them vulnerable, more vulnerable than British unions, to changes in national governmental policy.

In addition to the role of a union conceived by the NLRA (and similar laws covering railroads and the public sector) the operationalization of the law—requiring parties to bargain in good faith, defining an exclusive representative and exclusive bargaining—further removes the union from its members. The National Labor Relations Board (or the relevant board) approves each bargaining unit, not necessarily coincident with the extent of the union’s organization, based on specific criteria.* The effect is that unions are defined by the labor law before they are defined by workers. The union is chosen by workers and the law. The same principle guides the most recent British laws on picketing, balloting and striking.

Amendments to the NLRA gave further example for recent British labor law changes. The Taft-Hartley amendment, passed in 1947, defined unfair (illegal) practices by unions chiefly by distinguishing, for the first time, between ‘legal’ and ‘nonlegal’ strikes. The Taft-Hartley Act prohibits unions from striking, boycotting, or taking any concerted action against an employer with whom the union has no contract or unfair labor practice charge (secondary boycotts, hot cargo agreements [blacking goods]). In a similar manner, the British 1980 Employment Act restricted pickets by allowing them for one’s own employer only, and by defining ‘official’ and ‘unofficial’ strikes depending on what the strike is about. American workers who are involved in unofficial strikes (slowdowns, refusal to work overtime, jurisdictional strikes, strikes to force payment for work not performed [featherbedding], and strikes not authorized by the union) are unprotected; they can be permanently discharged. In a similar manner, although directed at the union more than the worker, British labor law in the 1980’s has conceded the legal immunity for unions from civil law and its principle of abstention from union affairs. British unions involved in unofficial strikes could be subjected to, and held libel for, damages, and their union funds subjected to sequestration. The NUM was held under this statute and more recently British print union funds are being sequestered after a court ruling that their members were engaged in illegal strikes[8].

The Taft-Hartley Act also defined a new, innocent third party affected by strikes—the public. The Act’s preamble declares that its purpose is to promote the full flow of commerce and to protect the rights of the public in connection with labor disputes. American unions were further separated from their members even though workers are the largest portion of the ‘public’; once the public was identified as an entity separate from workers, unions became another bureaucracy conflicting with one’s life as a member of the ‘public’. Over time, labor officials themselves accepted the designation of unions as quasi-governmental institutions and they saw themselves as quasi-politicians in charge of the institution. Perhaps the separation of some British unions from the leadership of the Trade Union Congress may have the same effect.

The Landrum-Griffin Act of 1957 reinforced some of the provisions of the Taft-Hartley Act and therefore was bitterly attacked by the US labor movement. No trade unionists objected to the information

* Workers don’t necessarily organize and then elect a representative; workers organize and then petition the Board. The Board determines if the workers have similar interests, similar requirements for the job, etc. The law seeks to prevent the employer from dividing workers by initiating fractionalizing discussions and by protecting employers from inefficient and burdensome negotiations.
disclosure or the voting requirements of the Act in principle, though the opposition emphasized that the law was asymmetric because corporations were not submitted to the same scrutiny. Trade unionists accepted the fact that their legitimacy originated from law and the principle of workers voting for an exclusive representative—mimicking procedures in American political life—seemed consistent with their goals. American trade unionists could privately resent the intrusion of the government into their structure, but that's all[9]. The law created and formed the unionist's and the public's notion about what made unions legitimate institutions in society: obtaining the majority of a secret vote. The American law has created a situation where, regardless of workers' desires for self organization, the boundaries of collective action are established by the employer's size and organizational structure. This characteristic represents the difference between the liberty and the positive right to organize and strike[10]. The former is permissive, the latter prescriptive. British unions organize, establish goals and internal governing systems, then act. Until the 1980 British labor law changes, the last step was practically the only step where the state intervened. If the actions were noncriminal nothing happened, the union and employer settled alone. But, in America, once workers organize the State steps in.

The NLRA, as amended by the Taft-Hartley and Landrum-Griffin Acts, hindered American workers' voluntary self-organization; their right to engage in collective action to support demands of workers has been severely limited. The law created a hostile environment wherein class-consciousness could not thrive. American unions evolved under these changes in the NLRA and the Cold War environment of the Forties and Fifties. A process of natural selection enabled the fittest of these unions to survive. In Britain, Birmingham's walls, blackened by the industrial revolution's coal fires, exposed the Birmingham white moths to predators while they protected the mutant, once vulnerable, black member of the species; and, like the Birmingham moth that turned black from white, the American working-class conscious unions of the Twenties—those that would strike to support all workers—evolved into the business unions of the fifties. The Taft-Hartley and Landrum-Griffin Acts made class conscious unions illegal.

The air traffic controllers are employees of a United States federal agency, the Federal Aviation Administration (FAA), but the other airline workers are officially employed by individual airlines. Thus Taft-Hartley-like rules prohibited those employees from striking in solidarity with the controllers. American labor law makes solidarity costs very high; changes in British labor law seem geared to extracting the same costs from British workers.

Like the Landrum-Griffen Act, the Tebbit Laws of 1983 and 1984 set up democracy as the throne of legitimacy from which the British miners were deposed. The NUM officials (as is the case in a vast majority of British strikes[11]) did not conduct a strike vote before calling a national strike. This no-strike vote haunted the NUM throughout the strike. Whether the NUM should have taken a vote will be discussed below; here it is noted that this became important because the 1984 Trade Union Act requires that 'authorized strikes' are those that are balloted.

The ballot, as a means to show support for a strike, is a less than perfect device. Many American unions do not conduct strike ballots (nor does the American law require them—one of the few areas in which American law is less restrictive than the UK) and British unions still do not require it. Workers have other ways to demonstrate a willingness to strike, other than using a ballot. Every working day workers can 'vote' with their feet; they walk the picket line or punch the clock. Strike ballots in the US are often devices used to instill solidarity, to move people from ambivalence to commitment, and to embolden those who want to go out and shame those who don't. But the new British labor law made the NUM officials criminals: their 'illegal' actions weakened the NUM claims of legitimacy in the eyes of the public.

**PATCO and the NUM**

The histories and proclivities of the Professional Air Traffic Controllers Union and National Union of Mineworkers represent polar extremes. The Professional Air Traffic Controllers Union is relatively new and its representative member—young, white-collar, and politically conservative—is the
antithesis of the stereotypical unionist, whereas, the character and spirit of a National Union of Mineworker member embodies the popular conception of a labor unionist. The differences between the two unions cannot explain the similar outcomes in the two strikes. The analysis of the bargaining conduct and needs of the employers in both cases reveal that the similarity of the strikes can be explained by the similarity between the two employers.

**PATCO**

The air traffic controllers union was conceived in November 1967 when Mike Rock, a New York controller, telephoned F. Lee Bailey, a well-known defense attorney, to discuss problems in air traffic control. Bailey agreed to help controllers form an organization to advocate for better hours, wages, and working conditions, but the organization's name would avoid the use of the word 'union'. The Professional Air Traffic Controllers Organization was then formed and for two years Bailey was PATCO’s unpaid executive secretary[12]. John Leyden, an air controller (and now director of the AFL-CIO Public Employee Affairs Department), ran for president challenging the union’s control by outsiders and militant action during the first two years of its existence. Indeed, between 1968 and 1970 PATCO had staged effective ‘sick-outs’ and ‘fly-by-the-book’ slowdowns. Once Leyden obtained exclusive representation status for PATCO he pledged to be more moderate and concentrate on expanding the scope of bargaining. John Leyden brought PATCO into the AFL-CIO, affiliating it with the Marine Employees Beneﬁcial Association. He negotiated the reinstatement of 120 controllers who had been ﬁred in 1970 for concerted action. In 1976, despite his non-militant vows, Leyden led a ﬁve-day ‘fly-by-the-book’ slow down to get pay increases for controllers at the busiest airports. In addition to avoiding negative public sentiment (but not the ire of the airlines, the pilots and the FAA), these actions demonstrated the controllers’ concerns about the labor process—the pace of the work, the equipment, and the hours worked—and its importance to the industry.*

In 1980, Robert Poli, then executive Vice President, campaigned against Leyden for the PATCO presidency and, because of the deep frustrations with the lack of improvements, was ultimately victorious. Poli accused Leyden of being meek and ineffective. Leyden stepped down. Poli, who espoused a more militant approach to the FAA, was elected[13].

European controllers work an average of 34 hours per week, but the regular work week is 29. Switzerland’s controllers’ regular work week is 39 hours, but American controllers work the most: 40 hours is the regular work week and many controllers are forced to work overtime[14]. American controllers at the nation’s busiest airports rarely work more than 15 years before they are forced to resign for stress-related medical disabilities, which Stanley Aronowitz calls the ‘black lung of the technical classes’[15]. These air controller problems generated the job actions in the 1970s, the internal union discord; those, along with its frustrations with the Carter Administration, led PATCO to break from the rest of the AFL-CIO and endorse Ronald Reagan’s presidential campaign and the 1981 strike/lockout.

**Bargaining conduct**

The three year agreement between the FAA and PATCO expired March 15, 1981. After months of negotiations Poli recommended that the executive board and membership ratify the agreement signed on June 22 by the PATCO bargaining committee and the FAA[16]. The FAA’s ‘take it or leave it’ $40 million package failed to give PATCO the

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* Federal employees can join unions but they cannot strike. FAA-employed air controllers can bargain on-the-job issues, scheduling, overtime pay, holidays and vacations but Congress must establish wages, fringe beneﬁts (retirement and medical insurance), hour or work and key personnel practices. The CSRA (and other sections of the criminal code) prohibit federal employees to strike—striking air controllers could be permanently ﬁred—subjects the union to discipline, the most extreme is decertiﬁcation, if the union encourages the strike, and forbids union security clauses that require fee payment and membership to the union (these are called union and agency shops in the US and closed shops in Britain). The Federal Labor Relations Authority (FLRA) a 3 person board appointed by the President and approved by the Senate, administers the law regulating union practices. The Federal Service Impasse Board (FSIB) is authorized to use ﬁnal arbitration as the ﬁnal step in settling disputes between federal agencies and their employees after conciliation and mediation has failed. The statutes had never before been fully utilized.
relief that it needed the most, a reduction in weekly hours worked.

Despite Poli's recommendation, the union's executive board unanimously (strange, because Poli was on the board) rejected the contract two weeks later. Poli explained the switch to reporters: “it seemed the best contract we could get given the circumstances at three o'clock in the morning on June 22”[17]. The probable 'circumstances' he was referring to was the 75% strike vote taken in May which fell 5% short of what was necessary to call a strike. However, when faced with an actual contract, with no reduction in the work week, over 85% of the controllers voted to strike. Monday morning, August 3, 7 am became the new strike deadline. Analysts cite this hasty headline as evidence of Poli’s inexperience and poor negotiating skills[18]. Despite weekend-long negotiations no agreement was reached before 13,000 controllers walked off their jobs at 7:00 Monday morning. In concurrent strike analysis a Federal Aviation Administration official said, “the union’s precipitous action cut off its bargaining flexibility and didn’t give the government any time to get some scenarios worked out in advance.” But a White House official admitted nothing would have stopped Reagan from firing the controllers: President Reagan only conceded to heed Drew Lewis's advice not to announce the lock-outs and firings on Sunday, August 2[19].

At 11.00 am August 3, 4 hours after the strike began, Reagan dramatically announced (in a live radio broadcast across the nation) that controllers had 48 hours to return to work or face criminal charges for striking. A Reagan official reportedly agreed that the President should have waited until after the first few days of the strike (when the strikers’ resolve is always at the highest). By announcing the firings himself, Reagan severely reduced bargaining flexibility. An acquaintance of Drew Lewis reported Lewis had said that “the President gives me too much support”[20]. 11,310 did not return to work within the 48 hour period; they were fired, banned from ever being rehired as controllers and at least 40 controllers were jailed; union decertification proceedings were initiated and permanent staff arrangements in the control towers were being pieced together from the military, supervisory staffs and the ranks of disabled and retired controllers.

All these actions were unprecedented and all had enormous ramifications. In states and localities where public employee strikes are illegal and public employees have struck, none had been permanently fired. In these circumstances (when a union could be, have been decertified for sponsoring an "illegal" strike) such an outcome had never happened. President Nixon did not decertify the post office workers union or permanently fire the postal strikers in 1971. Moreover, permanent strike replacements had been a rare feature in private sector negotiations and even more rare in the public sector. Although Robert Poli’s comment could be construed as 'cheeky', the message of his remark before the strike, that “the only illegal strike is a failed strike”, was essentially true until Poli himself called the strike[21].

The FAA never resumed negotiations. Five years later, PATCO is still awaiting the decision of the bankruptcy court to absolve PATCO of the $35 million suit brought against it by the industry. When asked what had become of the 11,300 controllers, John Leyden responded, “That’s rather grim. No one has really kept track since the suicides.” He estimated 5–6% got jobs in the private sector with comparable pay; very few went abroad; some went into the military. He knew of a few dozen in New York who are security guards and others who are claiming they are blacklisted in federal employment[22]. Current air traffic controllers do not have a bargaining representative, even though there is a concerted effort among some former controllers to obtain bargaining status for USATCO, The United States Air Traffic Controllers Organization[23].

PATCO thought the controllers would be protected from being fired for six reasons. First, negotiations were not over—even though when they struck and there was room to compromise, but their agenda was kept from the public and the press reported that their last demands on pay were their final offer. It was not well known that the pay increase issue was not as important to PATCO as the reduction in hours worked per week. Second, PATCO knew air traffic controllers in previous incidences of concerted activity weren’t permanently fired; former PATCO president John Leyden was able to negotiate the rehiring of 110 controllers who had been fired in 1970. Third, PATCO thought the business community
would prevent Reagan from risking the adverse economic effects of a major slowdown in air traffic. Fourth, PATCO's presidential endorsement of Reagan and the letter of support from Reagan to PATCO (reprinted in New York Times, Oct. 20, 1980, Candidate Reagan's letter to PATCO)[24], wherein Reagan expresses his gratitude for PATCO's endorsement and promises to address their problems and bring about "a spirit of cooperation" and "take every step necessary to provide our air traffic controllers with the most modern equipment available and adjust staff levels and work days," encouraged PATCO's resolve to press for its long-sought demands. Fifth, PATCO thought the particularity of skills and scarcity of replacements made them irreplaceable; and Sixth, the first reason above made PATCO discount the importance of support and ties with other unions. Although it was evolving into a union, PATCO had vestiges of a trade association or guild. It relied primarily on the scarcity of its members' skill for bargaining strength.

Why did PATCO lose?

Despite the importance of the strike there has been very little post-strike analysis. Herbert Northrup, who until now has provided the only scholarly article on PATCO, explains that PATCO failed because the rank-and-file refused to heed Poli's first suggestion to ratify the contract; and that Robert Poli was an inept leader, evidenced by his brinkmanship, his isolating himself from other unions, and his ignoring negotiating protocol[25]. John Leyden agrees with this portion of the Northrup's analysis, although he disagrees with Northrup's conclusion that PATCO's experience reinforces the rationale for not allowing public sector employees to strike. He believes that that right needs to exist, but he asserts he could negotiate without striking by "taking it to the wall, but not going over the cliff"[26]. Clyde Summers, a respected pro-labor professor of law and advocate of union democracy (even when he threatens union officialdom in his role as member of the Association for Union Democracy), in a closing address to a 1982 conference (entitled 'The Future of the US Labor Movement'), blames PATCO's lack of preparation, perception and perspicacity for its failure[27].

Despite the fact that the magnitude of PATCO's problems (and its capacity for solidarity) was great, its bargaining power was small. The Reagan Administration was willing to pay a high price to win the strike, the imminent post office workers contract ratification vote encouraged Reagan's refusal to reinstate the controllers, the construed concern was that something less than harsh treatment for PATCO would have encouraged the post office workers to strike. Moreover, the potential conflict of interest between the Federal Aviation Administration and the airlines was attenuated by the recession; the FAA restrictions were more manageable than any imposed by the market. The airlines had also prepared for a controllers strike with the help of the President Carter's FAA staff[28]. Within weeks of striking the union announced that most controllers were ready to go back to work. No controller ever got his/her job back; the strike became a lockout; and negotiations never resumed.

One of the reasons PATCO's costs of striking were so high is that it underestimated the help it would need from the rest of organized labor. PATCO's connection to the AFL-CIO was as tenuous during its strike as it had been when PATCO was formed. The ties built during Leyden's tenure were eroded when the somewhat parochial Robert Poli was elected. Unions accused PATCO of snubbing their picket lines during the 1970s, and the pilots adamantly opposed PATCO's strike since it threatened their members' jobs. Moreover, PATCO's endorsement of Reagan dismayed and angered many international unions and their members. Clyde Summers blamed the labor movement for not knowing 'for whom the bell tolls' and standing by while the US government decertified PATCO, not realizing the threat to its own existence[29]. Further the lack of union solidarity, caused by each union seeking to maximize its own self interest caused, he asserts, the labor movement's failure to mobilize on PATCO's behalf. However, these less than desirable relations between PATCO and the rest of the labor movement, as well as failed perceptions, do not fully explain the failure of the labor movement to provide effective aid to PATCO.

Supporting PATCO by conducting an industry-wide strike may have eventually emboldened and strengthened the labor movement, but the costs of striking to those individual workers would have been
extremely high. Some of the labor contracts signed by other airline unions prohibited honoring picket lines other than their own. The authorized discipline for doing so was permanent dismissal. When there were no such contractual prohibitions the law prohibited secondary strikes. The unions would have had to prove that the picket line was a primary picketline, one that affected one's airline-employer, on the grounds that the FAA needed and obtained aid and support for its actions against PATCO. If they failed to prove that contention, they could have been permanently fired. Nonetheless, William Winpinsinger, president of the International Association of Machinists, travelled from airport to airport urging his members to honor PATCO's picket lines; none did. Union officials boycotted air travel for months, travelling to Canada with ground transportation in order to take international or cross national flights. International Controllers offered nominal support and the AFL-CIO raised $600,000 for PATCO families. The breadth of the support for the British miners strike, however, far outreached the narrow depth of support for PATCO.

The strike costs to the FAA, the airline industry, and the public were high, but they were mitigated by the 1981 recession—along with the fact that some airlines actually benefited from the strike. The costs of management taking the strike were further decreased by the government's efforts to replace the strikers. The FAA had access to approximately 9% of the military's controllers (about 1,000); members of the National Association of Air Traffic Specialists and Professional System Specialists stayed on the job and trained to replace the controllers. Retired and disabled controllers were called back to work. 380 controllers were being trained per month at the training school; it would take an estimated 21 months before the system was back to normal. This obviously was a tolerable length of time and a tolerable level of cost for the Reagan Administration and the airline industry[30].

Airline industry profits dropped dramatically during the strike, although, the cause is unclear[31]. The strike may have been a smoke screen masking the effects of the 1981–82 recession, the deregulation of the industry and poor management. Air traffic declined between 20 to 75% and airline manufacturing and airline profits dropped an average of $10–25 million a day during the strike[32]. The strike prompted an enforced cut in service—which acted like de-facto regulation (although its effect was the opposite of what previous regulatory policy had been). Instead of protecting small airlines and unprofitable routes, smaller airlines and less-travelled routes were adversely affected and larger carriers actually benefited. Businesses that use air travel did not begrudge the strike. A light-hearted company representative told a reporter that the reduced airline service actually saved her company money because business executives planned their trips better[33].

Any strike can be used to pit one union against another, a fact which the industry was well aware of[34].

The pilots had publically opposed the strike in fear of their members impending layoffs (five years later ALPA president Henry A. Duffy regrets its unsupportive position on the PATCO strike)[35]. The erosion in air traffic safety over the last 5 years may be the highest strike price the public pays and continues to pay. In 1985 more than a dozen air crashes generated Congressional concern and investigation of whether the accidents reflect poor quality of the staff (or lack of staff) in the control towers[36].

Such opinions, from widely different perspectives, agree with what is essentially a tautological argument: PATCO failed to win its strike because it struck. This apparent 'blame the victim' phenomenon is caused by the fact that academics and practitioners are susceptible to the same mistaken perceptions which result in strikes turning public opinion against unions[37]. Because unions are the moving party in a strike they are viewed as the aggressors, the causal agents, the victims who bring upon themselves their own victimization. Until this point, only journalists, not scholars writing on the strike, address that fact that when PATCO lost the strike, President Reagan was left the big winner.

**What the Reagan Administration gained**

The strike has been credited with reinforcing the public's negative attitude towards unions, strengthening private and public employers resolve to take tough negotiating stances against unions (including hiring permanent strike breakers) and
with weakening the links between worker and union (and, subsequently, perhaps may have strengthened those between workers and President Reagan). Five years later the popular press looks back to Reagan’s conduct in the PATCO strike as an important labor event. Supply-side economic policy requires diminution of union influence and President Reagan has succeeded in diminishing that influence. Reagan’s message to the postal workers was clear; and, although the postal workers may have ratified their contract without the PATCO strike, the margin of acceptance may have been reduced had the PATCO strike not occurred. The postal workers’ contract was the first set of public-employee collective bargaining negotiations that has been affected by the PATCO strike.

The government terminated negotiations when the controllers walked out and staffed the towers with permanent strike replacements. The fact that PATCO pleaded to resume bargaining and go back to work (transforming the strike to a lockout) was not well known. Indeed, PATCO was made to look uncompromising. Furthermore, the handcuffed controllers (by criminalizing the PATCO leaders the government becomes the protector, saving the public from harm) enhanced the Reagan administration’s accusation that unions subordinate the public’s interest. Moreover, the public’s negative attitude towards unions may have increased when the strike demonstrated the union’s weakness, instead of the federal government’s overbearing power.

PATCO’s behavior and Reagan’s policies caused the strike, but national labor law facilitated its outcome. US unions depend on the law for identity. The unique combination of two principles (the first being the ‘legal protection of individual worker’s rights to organize’ and the second ‘to promote peaceful industrial production’) found in American labor law automatically separates unions from workers and unions from each other. Although strikes and collective bargaining are put forward as the means to these ends, the law limits the scope of bargaining, and when bargaining fails, the union pays the high costs of unpopularity by striking. British labor law changes will rotate the British principle of permitting workers to organize and strike until it aligns with one that regulates worker-union and labor-management relations.

National Union of Mineworkers
The Thatcher government needed a similar case to Reagan’s PATCO action to demonstrate to the British labor movement and to the public what the Conservative Party’s labor policies are and how they would operate.

Bargaining conduct
Those who accuse the Thatcher government for provoking the strike point to the NCB’s bargaining conduct and argue that had the American labor law requirement of ‘good faith’ bargaining been included in the Conservative Party’s industry relations reforms, the National Coal Board chairman Ian MacGregor would likely have been found in violation of the law by his insincere efforts to reach an agreement with the miners and unilaterally changing the terms of their existing agreement, 1974 Plan for Coal, by planning to close the Cortonwood colliery without invoking the negotiated procedure. On the other hand, Scargill’s statement, “I will never agree to close noneconomic pits” would also be seen as an illegal, unfair labor practice under American labor law, if it described the union’s real negotiating stance. (In fact, the NUM had agreed to close many pits during the late 60s and Seventies, watching its membership shrink to half its size in the Fifties and Sixties)[39]. Who provoked the strike and who caused its continuance does reveal some motives. The issues at dispute for each side reveal the relative urgency and alternative methods to solve the dispute available to both sides. The miners had little alternative to strike, their needs were urgent and their actions defensive; the NCB had alternative means to discuss and implement their reorganization plans.

Like President Reagan, Thatcher’s willingness to take the strike was strong despite the fact costs were high. An estimated 3.5 billion pounds was spent on the strike for extra police protection, by British Steel for extra costs of buying more expensive coal, lost income and social security taxes, as well as the costs of using extra oil, and, of course, lost NCB coal production[40].

However, some costs were mitigated. Substitute energy supplies from the government-controlled North sea oil reserves and the UK’s oil burning power stations and increasing the ‘oil-burn’ in pri-

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arily coal-fired ones. Britain had access to imported coal from the US, South Africa and Poland, as well as the NCB’s access to capital with which to purchase and process the relatively more expensive oil, and the mild winter helped lower the cost of the strike.

British miners were easily replaced by the product of foreign labor, or other products yet few miners crossed the picket lines. The PATCO strike and NUM strike (outside of Nottinghamshire) were both solid, but compared to PATCO, the NUM’s long tradition of militancy, its past success in obtaining relatively good working conditions record, the relatively good working conditions themselves, and the fact that the strike issue was defensive and the NUM still exists may mean the immediate impact on the NUM and British labor movement may not be as dire as the impact of the PATCO strike was on PATCO and the American public sector unions. Particular circumstances explain the NUM’s solidarity (outside of Nottinghamshire), circumstances that are not duplicated in the American industrial sector (that may be why MacGregor found the NUM strike difficult to end). Unlike the PATCO case, where the employer was able to substitute striking air traffic controllers with military personnel, new trainees and others, the NCB did not hire any new personnel.

**What Thatcher won**

The Thatcher government claimed closing pits was in the best public interest and that the NUM, because it was a labor union and not the government, was motivated by self-interest, and, because the NUM president is a self-proclaimed Marxist, the union was motivated by left-wing political goals. Scargill’s often repeated statement that he would not agree to closing uneconomic pits was not a bargaining position but an exaggerated simplified public statement to emphasize the union’s disagreement with the NCB’s definition of economic pits. Hyperbole is common in strike situations. Striking is such a dramatic activity that any public weakness or concession before any public concession by management would defeat the purpose of a strike—a dramatic show of desire to change working conditions. If union leaders publically appease management at the beginning of a strike, then workers would wonder: why strike?

The National Coal Board and the Thatcher Administration are government entities, a status which provides their decisions with more authority and implicit public responsibility. Even though the government provoked the strike, the nature of strikes leaves the union the active party, thus the seeming progenitor of the strike. Given the National Union of Mineworkers’ action, and its role as a representative of a certain group of workers, the government could claim that national interests were being threatened by the special interests of miners.

A second attack on the NUM was the government’s accusation that the strike was illegal and undemocratic since 1984 changes to Britain’s labor law made unions who violated their constitutions illegal. The government claimed the National Union of Mineworkers violated its constitution’s rule which required a membership vote before calling a strike. The NUM claimed the vote to call a strike over illegal, unreviewed, pit closures had already been taken and had authorized the strike. Whether or not the NUM technically violated its constitution is doubtful, yet it was unfortunate that the Yorkshire pits struck before the Nottinghamshire branches voted.

Another aspect of the democracy issue was the public perception that Arthur Scargill championed aberrant politics, and, therefore, did not represent the miners. One striking miner laughed at the suggestion that Scargill was more left, radical, and outspoken than NUM members, “You can take Scargill back with you to America and it would change nothing here” [42]. The Conservative Party’s position would also have been the same. Any NUM representative confronted with the Conservative Party’s radical policy would have acted the same. A British union that operated for decades under a British system would have been stymied by the American-style labor relations practised by the Thatcher government.

The relative success of the American economy and ‘peaceful’ labor relations (American coal miners signed their first contract without a strike in twenty years in October, 1984) served the Thatcher government’s goals because she used American techniques both directly and indirectly. In fact, this strike was seen as an American phenomenon. Thatcher made an American, Ian MacGregor, chairman of the National Coal Board. Another direct American
element of the strike was the hiring of the American accounting firm, Peat Marwick and Mitchell, to locate and help the courts sequester the NUM’s treasury. If America is an attractive example for Thatcher, then the stage is well established for British denationalization and privatization—the Conservative government’s attempt to recast British industry in the forms of American industrial organization.

Lessons

Richard Hyman asserts, in the most modern and comprehensive book on the role of strikes in industrialized democracies, that management costs of a strike are lost production (which is the least important); evidence that management has lost control; and last, that strikes are the “persistent practical contradiction of the ideology of harmony” between labor and management[43]. But in both the PATCO and the NUM strikes the strike had the opposite effect on management. The strike ‘proved’ that management had control and that some unions had become irresponsible, weak, and self-defeating. President Reagan was able to use the PATCO strike as an excuse to decertify PATCO and warn other unions that the federal government would engage in, and encourage, tough treatment of unions. The Thatcher Administration used the NUM strike to divide members of the Trade Union Congress and cause a breakaway movement from longstanding fissures in NUM’s solidarity. Richard Hyman’s analysis stopped short of what it suggests: a strike could work in favor of management and against labor.

Both strikes indict the US and British systems of collective bargaining, where conflict between both sides is played out in protracted strikes. American unions have recognized, in the words of a recent introduction in an American labor journal, that “labor’s blood is in the water and even the most gentle of management fish are being transformed into sharks,”[44] and that strikes have become management’s main tool to fire and replace unionists. The chilling effect of the PATCO strike can be gleaned from the drastic decline in strikes in the US. See Table Two.

American Marxist economists have concluded that this trend demonstrates that the cost of striking has gone up and that unions have lost power[45]. Both the former and the latter may be true, but they may not be directly linked. American unions are reviving old ways and discovering new ways to pressure management into acceding to its goals. In-plant strategies, since 1981, have developed as alternatives to striking and have been implemented and responsible for victories among various union’s locals in the Midwest and Texas[46]. These ‘work to the rule’—refusal to cooperate beyond the strict definition of the job requirements—and failure to settle grievances in a fashion favorable to smooth production, gives bargaining leverage to the employee group which would otherwise lose a conventional strike.

Neither problems in the American air control towers nor the British coalfields were solved when their respective strikes ended. The strikes had other functions, other goals. Those goals were met. And, until strategies like US in-plant strategies, economic conversions, corporate campaigns and organizing give labor new powers, the observation made by an Economist editorial published a few months after the NUM strike ended will still be true. It stated that “[w]hat Ronald Thatcher [their coinage] have done is shift debate . . . they have got little of what they wanted (beyond a real and welcome diminution of trade union power)”[47].

Table 2: Number of work stoppages involving 1000 workers in the US 1947–1984

<table>
<thead>
<tr>
<th>Average number during years</th>
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<tbody>
<tr>
<td>1947–50</td>
<td>300</td>
</tr>
<tr>
<td>1951–55</td>
<td>390</td>
</tr>
<tr>
<td>1956–60</td>
<td>273</td>
</tr>
<tr>
<td>1961–65</td>
<td>220</td>
</tr>
<tr>
<td>1966–70</td>
<td>377</td>
</tr>
<tr>
<td>1971–75</td>
<td>257</td>
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<tr>
<td>1976–80</td>
<td>235</td>
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<tr>
<td>1981–84</td>
<td>96</td>
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<tr>
<td>1981</td>
<td>145</td>
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<tr>
<td>1982</td>
<td>96</td>
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<tr>
<td>1983</td>
<td>81</td>
</tr>
<tr>
<td>1984</td>
<td>62</td>
</tr>
<tr>
<td>1985 (to July)</td>
<td>17</td>
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Source: Current Wage Developments, US Bureau of Labor Affairs, Table 1.
Acknowledgement

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