
INTRODUCTION

In the 1980s plant closings became a major public policy issue in the United States. As entire industries went through wrenching restructuring that included closing plants in successive waves and as industrial regions of the country experienced continuing decline, the issue became increasingly important. Legislative measures to provide early warning of closures and to regulate shutdowns in a variety of ways were introduced in over thirty state legislatures, culminating in a national plant closing law that took effect in 1989.

Not surprisingly, plant closings have also been the subject of a growing body of literature.¹ This literature has examined plant closures from a wide variety of angles: the emotional and health effects on dislocated workers, legislative requirements for prenotification, unemployment duration and reemployment experiences, worker retraining issues, collective bargaining clauses and issues, employee ownership and other alternatives to shutdown, and others.

However, the literature on plant closing struggles is relatively sparse.² This book attempts to partially fill the gap by examining five cases of battles over plans to partially or completely shut down facilities in north-west Indiana. Between 1985 and 1991 the Calumet Project for Industrial Jobs spearheaded labor-community coalition efforts to alter outcomes.

Chapters 2–6 contain five comprehensive case studies of real or threatened full or partial plant closures and the resultant campaigns to save jobs. Chapter 7 contains a comparative analysis of the cases, drawing conclusions regarding the role of early warning, labor-management issues, corporate strategy and structure, economic forces, and local government policy. Chapter 8 highlights the role of “problem definition” in determining the final outcome and the importance and determinants of alliance formation and mobilization for labor-community coalitions. It also examines the cases in light of existing theoretical and empirical literature and argues there is more promise here than some acknowledge.

The reader of the following case studies would benefit from an understanding of the context within which they occurred. The book’s analytical framework should also be made explicit. Therefore the remainder of this introduction will address the context of the cases and the analytical framework that ties the cases together.

The two immediately following sections explain the economic and institutional features and trends of northwest Indiana during the 1980s. The third section then details the organizational characteristics and history of the Calumet Project for Industrial Jobs, the labor-community coalition organization that was involved in all the plant closing campaigns in this book.

The next section introduces the analytic framework for the cases that follow. That framework centers on five factors of potentially great import to plant closing outcomes: (1) early warning of the shutdown; (2) the role of labor-management relations in the plant; (3) the corporate structure and strategy of the owner; (4) the role of economic market factors; and (5) local government's role.

Against the backdrop of these five factors, I then introduce ways in which union and community activists can alter the usual configuration of forces to obtain more favorable outcomes. Analysis centers on the struggle over what will be the dominant definition of the problem in the local media and other centers of public opinion, plus the relative successes and failures of the Calumet Project in forging alliances and mobilizing constituencies. These last two factors — controlling the dominant problem definition and successful alliance formation and constituency mobilization — are the key to proactive intervention by workers and local communities in their economic affairs.

ECONOMIC CONTEXT

The Calumet Region of northwest Indiana, directly adjacent to the Illinois state line, the city of Chicago, and Lake Michigan, is a heavily industrialized area. Large integrated steel mills on the shore of Lake Michigan have historically dominated the economies of the two counties in this region, Lake and Porter counties. Well paying unionized jobs in the steel and related primary metals industries created above average per capita income: in the 1960s and 1970s it was approximately 110 percent of the national average.³

But the 1980s were devastating to the region. High-income jobs in steel and related primary metals dropped from approximately 32 percent of total employment to around 15 percent. Steel mill employment dropped 8.3 percent annually from 1979–84, and 3.7 percent annually from 1984–91. Over 45,000 jobs in durable goods manufacturing were lost from 1969–90. Steel jobs dropped 48 percent (down 31,300) while other durable good production jobs dropped 57 percent (down 14,600).

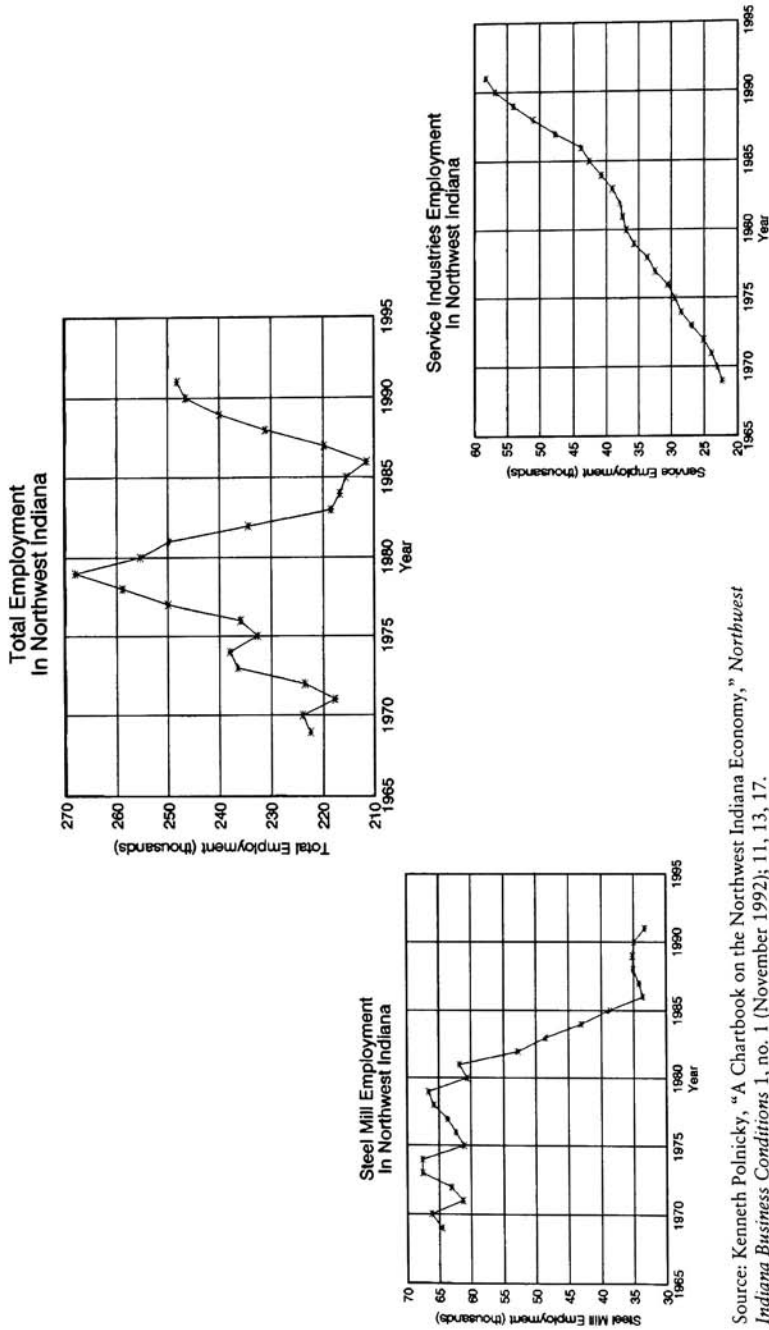
Nevertheless, the region fared better than other steel producing areas. The major U.S. steel producers consolidated much of their production in the Calumet Region because of its central location and lesser vulnerability to import penetration. While steel employment was halved, it did not disappear entirely, as it virtually did in other steel areas on the east, south, or west coasts. Growing wholesale, retail, trade, finance, insurance, and service jobs took up some of the slack, but this has been inadequate for two reasons. First, the new jobs do not pay as well as the old ones did, on the whole. Second, there have not been enough of them created to keep the region up to national averages. Total employment in the region grew at an annual rate of .5 percent during 1969–90, compared to a national annual rate of 1.9 percent. Figure 1.1 contains a graphic illustration of total employment, steel mill employment, and service industries employment in northwest Indiana.

Compounding this regional distress, the impact of the economic decline has been very unevenly distributed. The region is highly segregated — according to some studies it is the most highly segregated region in the nation. The three major cities of Gary, Hammond, and East Chicago contain close to 99 percent of all African-American and Hispanic residents in the region. They are also the cities most dependent on the disappearing manufacturing jobs.

The results are predictable: according to U.S. Census figures, while real per capita income in the United States increased 15 percent during the 1980s, it fell by 13.1 percent in Hammond, 14.7 percent in Gary, and 18.1 percent in East Chicago.⁴ Unemployment rates in all three cities have remained high well into the 1990s despite massive population loss. Census figures reveal that Gary lost 23.2 percent of its population during the decade; Hammond and East Chicago lost 10.1 percent and 14.8 percent, respectively.

Plant closings played a major but not overwhelming role in the job loss of the decade. No usable government statistics exist on plant closings during this period, but the Calumet Project conducted a study in 1989 of seventeen regional plants that had closed in the past decade. There were at least double that number, but precise data are not available. A sizable percentage, but not a majority, of the employment loss was due to plant closings. Because of this significant impact, plant closings became a public issue in the 1980s in the region.

Figure 1.1. Northwest Indiana total employment, steel mill employment, and service industries employment, 1969–90.



Source: Kenneth Polnick, "A Chartbook on the Northwest Indiana Economy," *Northwest Indiana Business Conditions* 1, no. 1 (November 1992): 11, 13, 17.

INSTITUTIONAL CONTEXT

The institutions of northwest Indiana are closely intertwined with the demographic and racial characteristics of the region. Lake County, which abuts Illinois and which contains Gary, Hammond, and East Chicago, houses 98 percent of all nonwhite residents in the two county area. It has close to half a million residents, although it lost over 9 percent of its population from 1980 to 1990. Porter County to the east has no towns with over 30,000 (Lake County's Gary, Hammond, and East Chicago have about 120,000, 80,000, and 40,000, respectively); its virtually all-white population of close to 130,000 is mostly composed of rural and small-town residents. Its population grew 6 percent in the 1980s.

Since all of the plant closings in this study occurred in the more heavily industrialized Lake County, the remainder of this book will focus on Lake County alone. Its three major cities — Gary, Hammond, and East Chicago — account for approximately half its population. Gary is primarily African-American (81%); Hammond is predominantly white (85%); and East Chicago is heavily Hispanic (48%). The surrounding towns with one or two exceptions are over 99 percent white.

The extreme racial segregation of the area is complemented by a history of political corruption. The Democratic Party has controlled the county for decades, although the Republican Party has made real headway in the rural and wealthy suburban southern part of the county. Historically the Democratic Party machine has been plagued by corruption; periodically federal grand juries have indicted and convicted county and municipal political figures on a variety of financial corruption charges.

In 1968 Gary elected its first African-American mayor, Richard Hatcher. White flight, which had already begun, accelerated rapidly in the following decades. Many residents of Porter County or southern Lake County are former Gary residents. In East Chicago, although Hispanics are the largest ethnic group, the city remains under the control of a white-led party machine headed by Mayor Robert Pastrick that rivals Chicago Mayor Richard Daley's machine in the 1960s. Hammond has had a Republican mayor, but an overwhelmingly Democratic city council, for many years.

There is a long history of rivalry and hostility between municipalities in the region. Long-term Gary mayor Hatcher blamed the continuing decline of the city on racism; his relationship with (mostly white) politicians outside the city was often hostile. After twenty years in office, Hatcher was replaced by another African-American, Thomas Barnes, but the city has remained isolated from the surrounding population. East Chicago

and Hammond have likewise remained rather isolated from the larger region. A proposal in the 1980s for a “uni-gov” structure providing for one overarching governmental entity for the region was immediately rejected on all sides.

There are few regional structures dealing with the economic health of the region. The Northwest Indiana Regional Planning Commission (NIRPC) channels federal money into research on regional issues but has mostly confined itself to transportation needs and plans. Even in transportation, regional cooperation has been lacking to such a degree that public transportation across city boundaries has been difficult to attain. There is a regionally based business group that functions somewhat like a “super Chamber of Commerce” for the region. Known as the Northwest Indiana Forum, it addresses economic development issues but is entirely private in character. Public policy remains firmly tied to individual policies of the cities in the region. County structures likewise play no significant role in economic policy.

The overall political and institutional structures in the Calumet Region are thus highly “Balkanized.” Regional cooperation is difficult; individual cities jealously guard their own “turf,” while mutual recrimination, suspicion, and charges of racism continue.

Within the business community, the Northwest Indiana Forum is by far the biggest and most important organization. It plays a major role as a business lobbying force to ensure that state legislation is positive for business interests within the region. In addition to lobbying heavily for state legislation to legalize casino gambling in Gary, the Forum has also conducted massive media (radio) advertising in Chicago in an attempt to lure businesses out of that city into northwest Indiana. Beyond the umbrella of the Forum, the most powerful businesses in local affairs are the local utility (Northern Indiana Public Service Company — NIPSCO) and USX (formerly U.S. Steel), which has singlehandedly dictated tax and other policies to the city of Gary for some time.

The region is relatively heavily unionized because of the dominance of large-scale steel production. Lake County has an estimated 35 percent of its workforce under union contract. The United Steelworkers of America (USWA) is by far the dominant union; USWA District 31, which covers northwest Indiana and some adjacent areas in Illinois, is one of the largest districts within the parent union. Despite its size, District 31 lost more than half its members in the 1980s. As of 1993 it had approximately 50,000 members, down from about 110,000 in the late 1970s. There are also important concentrations of union members in the building trades craft unions, and smaller numbers in the teachers (AFT); Oil,

Chemical, and Atomic Workers (OCAW); Teamsters (IBT); Service Employees (SEIU); Clothing Workers (ACTWU); public sector (AFSCME); Machinists (IAM); and Communication Workers (CWA) unions.

Despite its size, the labor movement has not been a major player in public policy issues in the region outside of those issues directly related to its immediate institutional interests. The local political structure is careful to cultivate labor support and can usually be counted on to support organized labor's most narrow, "special interest" concerns, but it has not included the unions in broader political affairs. The labor movement itself is neither extraordinarily active nor inactive in public affairs. Like the bulk of the labor movement in post-World War II United States, it has been content to play an important but secondary role in political affairs, primarily through support of the local Democratic Party.

CALUMET PROJECT FOR INDUSTRIAL JOBS

The severe contraction of jobs and income in the Calumet Region provoked a number of responses. One of them was the creation of the Calumet Project for Industrial Jobs. It was initially formed in 1984 as a joint effort by the Midwest Center for Labor Research (MCLR), a union-oriented research group based in Chicago, and the United Citizens Organization (UCO), a church-based community organization located in East Chicago, Indiana.

Despite the union and church connections of its parent organizations, the Calumet Project initially was a less effective coalition than it would be if it directly developed its own structure, membership, fund-raising capacities, and institutional base of support. Therefore, in the second half of 1988 it separated from its two parent organizations and organized its own Board of Directors, bylaws, organizational members, and funding. It is incorporated as a nonprofit organization, and has employed a staff of between 1½ and 4 employees.

The Calumet Project's twofold mission is to preserve well-paying industrial jobs in the region and to empower worker and community constituencies in the economic development decision-making process. Countering the usual tendency to leave economic development to the business community and their political allies, the Calumet Project aims to inject labor and community institutions into the center of public policy debates and decisions.

Its structure follows from this mission. Membership consists of unions, churches, community organizations, and individuals. Over twenty orga-

nizations are members, a majority being unions, followed by a smaller number of churches and community organizations. A board of directors with between fifteen and twenty-one members is elected from the various constituencies; six seats are reserved for labor unions, with three apiece reserved to church and community representation. Task forces open to all interested parties carry out the programmatic work; committees primarily composed of board members conduct organizational business, such as program planning, membership, or fund-raising.

Over half of the Calumet Project's budget (which has fluctuated between \$50,000 and \$195,000) comes from private foundation and religious grants, but membership dues, local fund-raising, contributions, and occasional fees for research are also important parts of the budget.

The Calumet Project conceives of itself as a labor-community coalition; it takes an organizing approach to all areas of programmatic work. The goal is to see that its labor, church, and community constituencies shape and work for their own solutions to the problems facing them. Although it encompasses the entire Calumet Region, the Calumet Project has concentrated most of its work within the three cities most in need: Gary, Hammond, and East Chicago.

Chronologically, the work of the Calumet Project can be divided into three stages:

Stage 1. Publicizing and calling attention to plant closings and the plight of dislocated workers (mid-1984 through 1985);

Stage 2. Creation and use of a plant closing "early warning system" and the running of specific campaigns to save endangered plants (from 1986 on); and

Stage 3. Development of public policy initiatives to address job retention and economic development from a labor and community perspective (from 1990 on).

Each of these stages can be seen to logically flow from the earlier work of the project. Each stage is an attempt to broaden the range of concerns and the influence of labor and community constituencies beyond that of the previous stage.

The case studies in this book all concern plant closings, which fall within the confines of Stage 2. Thus, they do not present a full picture of the work of the Calumet Project. Rather, the attempt is to use these in-depth case studies to determine which ingredients are necessary for a labor-community coalition to obtain and exercise power and to demonstrate how even seemingly "narrow" struggles over the fate of an individual plant raise

fundamental questions involving public policy. Some of the broader questions that the Calumet Project has subsequently addressed in its public policy work (Stage 3) are raised in the subsequent chapters of this book.

ANALYTICAL FRAMEWORK

The cases in the following chapters highlight certain central issues. The interplay of factors is different from case to case, but all exhibit similar dynamics at work. The analysis in the book isolates five issues as central to the background within which the plant closing struggles took place:

1. *Early Warning.* Were there “early warning” signs that the plant may be closing? Did the workforce or the local government notice any that were present? What should the workers and the local government do if they wish to obtain advance notification? What do these cases tell us about early warning signs and how they can best be read?

2. *Labor-Management Issues.* Did labor-management issues play a role in the closing decision? What role, if any, did labor relations play in determining the ultimate outcome? Can labor-management innovations help prevent plant closures? Alternatively, can unions through traditional labor relations mechanisms exert an important influence to prevent or reverse shutdown decisions?

3. *Corporate Strategy and Structure.* How important is corporate structure and strategy to determining ultimate outcomes? What corporate structures make a closing more likely? Which corporate structures are more vulnerable to influence by labor-community coalitions? What role do corporate strategies play?

4. *Economic Factors.* How important is the state of the product market? How large of a role do import penetration, production overcapacity, need for massive reinvestment, and similar economic factors play in determining a shutdown? How important are they in thwarting or aiding efforts to avert a closing or to reopen a facility?

5. *Role of Local Government.* What role did local and regional government officials play? Who did they primarily respond to? Would an alternative course of action have produced different results? Which roles were most and least successful in preserving employment?

These five issues have received varying amounts of attention in the plant closing literature. The cases in this book extend our understanding of all of them.

Early Warning

Advance notification to the workforce of impending shutdowns became a major national issue in the United States in the 1980s. Surveys by the U.S. Bureau of Labor Statistics (BLS) and the General Accounting Office (GAO) in the middle of that decade revealed that most employers provided either no notice or less than two weeks notice.⁵ It is widely recognized that advance notification is beneficial to both the workforce and the local community because it allows for planning in making adjustments.⁶ Numerous studies have shown beneficial public effects from advance notice.⁷ Opposing arguments have relied heavily on neoclassical free-market economic theory but have been short on empirical evidence.⁸

It is also widely agreed that advance notice is important, and perhaps critical, for any attempts to avert a shutdown. Long lead times are needed for any realistic effort to lower production costs, restructure the production process for greater efficiency, develop new product lines, sell to a new owner, change management teams, employ new technology, or do whatever else may be necessary to salvage a plant that is endangered but potentially viable.

In 1988 the federal Worker Adjustment Retraining and Notification (WARN) Act was passed, mandating sixty days advance notice to the workforce and to local and state government from employers with one hundred or more employees. The law contains many loopholes and fails to cover many workers because of the one hundred employee cutoff point. Further, the sixty days is an absolute minimum amount of time to set up even the barest of adjustment programs for displaced workers (e.g., job search training, skills training). It is definitely insufficient time, in most circumstances, to alter a plant closing decision or to arrange an alternative future for the facility and its workers where this could be a realistic possibility.

Therefore sixty days advance notice is inadequate for those attempting activist strategies to save jobs. By most accounts, a minimum of six months is necessary for any successful intervention strategy, usually even more than this. This means that activist workers, unions, or communities must rely on "early warning" signs that a closure may be coming if the company does not, as a matter of policy, provide prenotification of six months or longer. Early warning systems of various types have been employed

by state governments, local governments, unions, and community groups in the 1980s.⁹

A number of the early warning systems employed by state and local governments consist of nothing more than a computerized economic database on particular industries or regions, "word of mouth," or self-reports from plant managers or owners. Most of the systems utilized by community groups or unions rely on worker reports on conditions in and around the plant, as well as publicly available financial information about the corporation. However, most are unsystematic and are not ongoing systems that conduct monitoring over a sustained period of time.

The Calumet Project has an ongoing early warning system based on worker monitoring of conditions within the plant, supplemented by collection and review of public financial data on corporations. Perhaps the only systematic ongoing early warning system of this type in the nation, it has been in effect since the second half of 1986. A fuller report on this effort has been written elsewhere.¹⁰

Because of the existence of the early warning system, and due to the extensive amount of data collected on each case, the following chapters will document a number of early warning signs. They also contain lessons concerning the usefulness and importance of early warning to those interested in intervention efforts. The general results confirm the prevalence of early warning signals preceding a shutdown, indicate the nature of those signals, validate the usefulness and accuracy of the Calumet Project's "early warning scorecard," and demonstrate the severe limitations of most local government- or business-based forms of early warning, compared to systems based on in-plant monitoring by workers.

Labor-Management Issues

The degree to which labor-management relations influence plant closing decisions is little understood. Anecdotal evidence supports the view that bad labor relations, a unionized labor force, or inflexible work rules contribute to plant closings. So the issue is: do labor issues cause plant closings and can they help prevent them? Can labor relations play an important role in either preventing closure or in reversing closure decisions?

It is widely thought that unionization contributes to the chance that a plant will close. Yet this impression is apparently the result of confounding separate factors by failing to control for other variables (such as age) that often accompany unionization. The best evidence indicates that unionization per se has no impact on the probability of closure. On the basis of a well-conceived quantitative analysis, Howland concludes that "there

is no indication that plants situated in a unionized labor market are more likely to close than plants located in a nonunion area,” and Freeman and Kleiner find “virtually no union effect” on the rate of plant closures or the likelihood of business failure.¹¹ This contradicts the perspective of many scholars from right to left on the political spectrum, but it is the best evidence we have. Howland also finds that neither the level nor rate of change in wage levels has any statistically significant impact on closure rates.¹²

However, this does not prove that all labor relations issues are irrelevant to closure decisions or to the prevention of closures. More detailed factors or patterns not captured by data on mere unionization or wage levels may be at work. The five cases in this book provide limited evidence for a few conclusions.

My general results indicate that labor relations usually play a subsidiary or nonexistent role in plant closing decisions, although there are clear exceptions. I also draw conclusions concerning the limitations of traditional collective bargaining relationships as a means of providing influence over “capital” decisions about investment and plant location, indicate exceptions where conventional labor relations channels are effective, and indicate structural features of unions that make them more or less effective in shutdown situations.

Corporate Structure and Strategy

Previous literature contains both theoretical arguments and empirical evidence that the owner’s corporate structure and strategy influence the likelihood of a plant closure. Likewise, the susceptibility of a company to pressures to alter or reverse a closing decision may also be influenced by its structural characteristics and strategic focus.

Many authors cite both theoretical reasons and empirical evidence showing that branch plants and subsidiaries are more likely to shut down than are single plant firms or corporate headquarters. Reasons include wider potential investment choices, corporate “hurdle” profit rates for individual plants that have no counterpart in single plant companies, “paper entrepreneurialism” and/or poor management by multiplant conglomerates, and others.¹³ Four of the five cases studied here fit into this category; the latest and best statistical documentation confirms the speculations that this is a category especially at risk of a plant closure.¹⁴

The case studies confirm the prevailing wisdom of the literature and also go beyond mere structural features by relating the plant closings to corporate strategic orientation. The results show that workers, unions,

and communities need to pay close attention to the overall corporate strategies of their corporate employers. The evidence supports the claims of Bluestone and Harrison and others that corporate institutional and structural features and their strategic orientation are integral to most decisions to close a particular plant.

Economic Factors: Product Market and Capital Needs

Pure neoclassical economic theory would see plant closures as inevitable responses to market forces. Institutional factors such as those considered in the previous section are ignored as irrelevant from the larger perspective. Thus, most plant closing interventions are seen as impediments to economic efficiency that ultimately cost jobs, rather than saving them.

Empirical studies do not validate the predictions of pure theory: least efficient and least profitable plants do not always close first. Therefore the most interesting studies of plant closings within the neoclassical tradition posit “market imperfections” as a way of incorporating institutional factors.¹⁵

The case studies contained in this book are not written according to such a neoclassical paradigm. Nevertheless, the degree to which purely economic forces made the closings inevitable, or to which they made attempts to save or reopen a plant absolutely utopian, is important to assess. Each case study examines economic conditions in the industry of the closing plant, and chapter 7 contains a comparative analysis of the cases of four economic factors: (1) market decline (or lack of it), (2) import penetration, (3) overcapacity in the industry, and (4) industry profit rate.

The results indicate that economic market factors have an importance but not the iron necessity attributed to them by the neoclassical paradigm. The results also indicate a role for such factors in determining the *timing* of shutdowns and an influence over the ability of the industry to attract managerial talent and other prerequisites to saving or reopening an endangered plant.

Role of Local Government

Local government officials played an important role in determining the outcomes of these five cases. Public officials assume political responsibility for the economic health of the community. Aside from the private owner of the company, they also have the most legitimacy and greatest institutional power base from which to act in the event of a threatened or real shutdown. Public officials also help “set the context” within which private actors

(e.g., owners, workers, unions, community groups) make choices. Although the actual power of local governments — particularly in relation to massive corporations — is severely constrained, they are nevertheless important local players.

Analysis of local government role centers on two focuses: public policy prior to the announced (or effected) shutdown and the government's actual response to the plant closing. Both individual case studies and a comparative analysis in chapter 7 examine and critique standard government preshutdown policy of tax incentives and government subsidies to create a "good business climate."

After announced closure, government responses fall into three patterns. The local government can play (1) a "bystander" role, (2) an "offset" role, or (3) a "player" role.¹⁶

A *bystander* role calls for the government to be passive: stand aside and allow private market mechanisms to determine the outcome. An *offset* role calls for the government to leave all the major decisions to the private decision makers but to attempt to offset the effects if those decisions result in undesirable local outcomes. The offset approach can take either a "financial offset" or a "labor offset" direction. In the former, the government attempts to help the company through financial assistance, technical assistance, a feasibility study, or the like. In the latter, the government provides worker retraining, job search assistance, and so on to the affected workforce.

A *player* role calls on the government to insert itself into the decision-making process. Here the government plays the largest of the three possible roles: it becomes an integral "player" in the situation. Ideologically, the player role could range from right (corporate) to left (populist). Corporate player roles are extremely rare in the United States; they call for major government intervention in key economic decisions, but the intervention is dominated by the corporation. U.S. business tends to be ideologically opposed to such a major government role; hence even massive government assistance (such as with the federal government bailout of the Chrysler Corporation around 1980) tends to be confined to an offset role. Populist player roles mean government intervention allied with labor or community interests, rather than the corporation. Often the corporation opposes such intervention.

The Calumet Project was seeking a populist player role from the government in the cases studies in this volume, in addition to offset measures. A comparative analysis in chapter 7 draws a number of conclusions about its successes and failures in this regard. The results show both obstacles and possibilities — possibilities that, in turn, depend on the

ability of community forces to break the local government out of standard roles and into a more proactive stance.

The five background factors given above set the stage for the key points in the book, which concern the ability of labor-community coalitions to address the problems created by plant closings and corporate disinvestment. Here analysis centers on two issues that are addressed in the cases themselves and more systematically and comparatively in chapter 8. These issues are:

- *Problem Definition.* How was the main issue or the central problem defined? What criteria or what authorities were relied upon to substantiate the way the problem was defined? When differing definitions were articulated, what factors determined which definition became dominant? How important was problem definition to the final outcome?

- *Alliance Formation and Mobilization.* How successful was the Calumet Project at mobilizing key constituencies or in building powerful alliances? Who exerted real power? What determined success or failure in these efforts to build a “social movement?” In turn, did the more developed social movements achieve greater results?

Definition of the problem — What is it that needs a remedy? — is crucial to any program of action. In the cases presented in this volume, the Calumet Project’s labor-community coalitions struggled to have their understanding of the problem become widely accepted and acted upon. Such a process is not automatic: contending definitions are offered by other interested parties, and political struggle ensues over whose definition will prevail. This is a crucial battle, for it is a truism that framing the original question or setting the terms of the political debate is at least as important to victory as is one’s subsequent argumentation or performance.

Problem definition has three components: (1) a standard by which to judge if there is a problem, (2) a causal explanation for the problem, and (3) a remedial action plan to correct the problem.¹⁷ The case studies in chapters 2–6 and the comparative analysis in chapter 8 reveal that the Calumet Project and its allies differed from their corporate and political opponents on all three dimensions.

In general, the Calumet Project’s standard by which to judge a situation as satisfactory or unsatisfactory was that of community welfare. A Calumet Project self-description states, “Economic decisions for the region must be guided by one question: how does this effect the community and

workers in the area?"¹⁸ In contrast the standard employed by corporate and political opponents was private company profitability or the local area's good business climate, which they tended to see as identical to the public's interest. Antagonists battled over which standard was appropriate.

Causal explanations also varied. The Calumet Project's labor-community alliances usually found corporate mismanagement, corporate misbehavior (such as public subsidy abuse or lack of good faith in dealings with government or the workforce), disinvestment and "milking" of the facility, and the like as primary causes of the shutdown decision. Corporate decision makers and some politicians usually saw the cause as strictly economic: market and competitive conditions beyond the control of the company or the local government.

Remedial action plans were likewise divergent. Corporate interests called for strictly private market mechanisms to resolve all problems (occasionally supplemented by government offset measures as long as they were beneficial to the corporation's profitability). The Calumet Project's alliances called for a variety of remedial measures, most of them involving a populist player role for the government and corporate recompense to the workforce and the community.

Chapter 8 argues that the standard corporate definition of the problem forces communities and workers to accept as unalterable givens many "facts" that are in reality social contrivances or constructions, and that these constructions force communities to make unnecessary choices. But these "facts" can only be changed if the community organizes to alter the political and social landscape within which the various actors are operating.

Thus alliance formation and mobilization become the key to success or failure of labor-community coalitions of this type. The case studies and a comparative analysis in chapter 8 outline the various attempts to forge broad community alliances and to mobilize constituencies into effective public and political action. Six major lessons regarding effectiveness are drawn from the analysis of the cases.

The book concludes by placing the cases within two broad theoretical perspectives: the resource mobilization framework and the class conflict perspective.¹⁹ Resource mobilization theory analyzes social movements according to their ability to mobilize significant resources, constraints on the use of those resources, and the environmental confines shaping the movement's ability to act effectively.²⁰ This is an especially useful framework for movements depending heavily on external resources and support, like those in this volume.

The class conflict framework is also appropriate because these struggles pitted working class communities and institutions (unions) against em-

ployers, usually multinational companies. Much of the literature in this tradition is written at a high level of abstraction beyond the direct concerns of this book. However, the notion of “class capacities” is useful because it examines the relationships within a class that enable or prevent its successful pursuit of class interests.²¹ Working-class structural capacities develop from features of work and home life that unite or disunite workers. Organizational capacities depend on the effectiveness of worker organizations, primarily unions.

In the concluding section of this book I will use these two frameworks (especially the resource mobilization framework) to analyze the potential and the limitations of labor-community coalitions. Addressing “class” vs. “community” controversies, and comparing these cases to others, I will argue that labor-community coalitions have some potential to empower both working-class institutions like unions and industrial communities. Contrary to the pessimism of some of the literature, the limitations on this form of struggle are not absolute.

My goal in writing this book is twofold: to deepen our analytic understanding of the power dynamics of labor-community coalition efforts and of plant closing struggles, and to expose labor and community activists to the possibilities and the limitations inherent in such an approach to union and community empowerment. If I am successful in all that I have attempted, the book will have both academic and practical value.

The cases in the following five chapters are arranged in roughly chronological order. The final two chapters analyze the cases from comparative and broadly contextual perspectives. The generalizations drawn in these two chapters should be subject to further verification and refutation, both by academic researchers and practitioners.