

troughs. In this respect, they are similar to the total unemployment rate, which leads at peaks but usually lags at troughs. The primary reason for this asymmetry is that business cycle dates are based upon data that reflect the long-run growth of the economy, whereas layoff and unemployment rates are relatively "trendless." A trendless series tends to reach earlier peaks and later troughs than a series with a rising trend. When the turns in the layoff rates are matched with those in the total unemployment rate, rather than the business cycle, the leads are more nearly symmetrical. (See table 2.) The new layoff rate series leads the downturns in unemployment by an average of 5 months and the upturns by 7 months, for an overall average lead of 6 months.

Compared with employment, the new layoff rate again leads at both peaks and troughs, but by much longer intervals at peaks. This is to be expected, because nonfarm employment is virtually coincident with the business cycle, and reflects the growth trend of the economy.

In view of the record of the new layoff rate as a leading indicator, the Center for International Business Cycle Research has revised its leading employment index to include the new layoff rate since 1969 and the manufacturing layoff rate prior to 1969. At some future date, the new indicator might be considered a candidate for the Bureau of Economic Analysis' composite leading index, replacing initial claims for unemployment insurance. □

— FOOTNOTES —

ACKNOWLEDGMENT: We are indebted to Chantal Dubrin and Marcus Yumane for the statistical work on this report, and to John Stinson of the Bureau of Labor Statistics for providing the new data on layoffs.

<sup>1</sup> Geoffrey H. Moore, *Business Cycle Indicators* (Princeton University Press for the National Bureau of Economic Research, Princeton, NJ, 1961), p. 64.

<sup>2</sup> For an explanation of the ratio of irregular to cyclical change and months for cyclical dominance, see the *Handbook of Cyclical Indicators*, Bureau of Economic Analysis, 1984, pp. 167-68.

## Union response to changes in printing technology: another view

DAVID J. EISEN

In the July 1985 issue of the *Review*, Michael Wallace presents a three-nation comparison of union response to the massive technological changes in the newspaper printing industry over the last two decades.<sup>1</sup> Professor Wallace contends that the historical craft orientation of U.S. printing unions and the resulting fragmentation of the labor movement in the industry have seriously impaired workers' abil-

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ity to deal on an equal footing with management concerning the changes. He asserts, moreover, that a belated wave of mergers between the unions over the last 10 years has done little to give labor the appearance of a united front on the technology issue, citing in particular what he describes as a continuing jurisdictional struggle between The Newspaper Guild (reporters and other nonmechanical workers) and the International Typographical Union (typesetters) over the computerized setting of type. He concludes by describing labor relations patterns in the British and West German newspaper industries where, he claims, more farsighted unions took the decision at much earlier stages to consolidate or cooperate, and thus maintain their traditional control over the allocation of work.

The Newspaper Guild takes issue with Wallace on issues of both fact and interpretation:

*Composition of the Guild.* Wallace states that The Newspaper Guild is composed of "reporters, editors, and a few other white-collar workers." As a matter of fact, close to half the Guild's members are "other white-collar workers." The union has included advertising, circulation, business office, and other noneditorial employees since 1937 and actively seeks to represent them. On the other hand, Britain's National Union of Journalists (NUJ), which Wallace says "more than its U.S. counterpart, the Guild, seeks a broad-based membership of all white-collar workers in the industry," is, in fact, entirely limited to reporters and editors. Of course, in view of Wallace's mistaken conception of the Guild, his further statement that each of the three U.S. newspaper unions, including the Guild, "continues to be organized along occupational lines," is also incorrect. The Guild is an industrial union, and the Graphic Communications International Union (GCIU) is approaching that status.

*Merger efforts.* With regard to merger activity, Wallace states that the International Typographical Union (ITU) "was twice unsuccessful in completing merger negotiations with the Guild." Aside from the fact that there was only one such attempt, extending over several years, the statement seems to suggest that the Guild was the unwilling party. As a matter of fact, the Guild sought energetically to bring about a merger and had approved it by convention in June 1983; the plan fell apart when the ITU Convention unexpectedly refused to do likewise 2 months later.

There are other, less consequential errors in Wallace's discussion of merger efforts: the incumbent president, Joe Bingel, was "voted down" in the ITU's 1983 election but the Teamsters merger proposal was not on the ballot, except inferentially. And it was not the National Labor Relations Board but the Labor Department that stepped in to void the election; the NLRB has no such authority.

*Guild-ITU conflict.* More disturbing is Wallace's notion that "differences among journalists and composing room

workers over jurisdiction of cold-type technology remain a point of friction between the Guild and the ITU." There have been such differences in a few shops, where the issue has gone to arbitration, but they have not had any effect on relations between the two unions on the international level and played no role whatsoever in the breakdown of merger efforts.

This questionable evaluation carries over into Wallace's analysis of the impetus for merger negotiations. He states: "The printing unions, particularly the ITU, were slow to react to the changes wrought by the new technology and, as a result, turned to mergers out of desperation after questions of jurisdiction over the new technology had already been decided by publishers on a plant-by-plant basis." As a matter of fact, the ITU for many years made extraordinary efforts to prepare its members for new technology, setting up a training center at its headquarters to school members in the new equipment. These efforts broke down only when computerization set the stage for the complete elimination of typesetting and thus the printers' jobs. Local exceptions aside, the Typographical Union recognized that assertion of jurisdiction over work that now originated almost entirely in the newsroom was not a viable position and that the only practicable choice was a rearguard action to preserve the maximum number of jobs while obtaining the best possible compensation for printers displaced by the new equipment. The ITU's turn to merger was to a great extent motivated by the resulting swath this cut through its membership, to be sure, but it was not the primary force fueling the merger engine. That force was—and is—the compelling need for unity felt by all three unions in the face of the vastly strengthened bargaining position the new technology has given the publishers.

*The case of Great Britain.* Wallace's analysis also is poorly founded when it moves to Britain. He states:

The NGA (National Graphical Association) and the NUJ (National Union of Journalists) have established joint committees dealing with technology issues. In general, the journalists have supported the NGA's contention that composing room workers should maintain jurisdiction over direct input of newspaper material into video display terminals (VDT's).

And later:

Essentially, composing room workers have retained the right to control input of all materials into VDT's, which is critical in the leverage they have with publishers . . . . In contrast to their U.S. counterparts, the British trade unions have displayed considerable farsightedness in anticipating the impact of technological changes in their industry and responding accordingly.

This is an inaccurate picture. The British unions succeeded in fending off the impact of new technology for so long because of their strength. Now, however, the publishers are insisting, like *their* U.S. counterparts, on "capturing the original keystroke," and the jurisdictional question has arisen explosively between the two unions. The Journalists Union by no means concedes that the NGA should retain jurisdiction over input under these circumstances, because it would put the Graphical Association in the newsroom. The issue has been posed sharply in at least one shop, and the ultimate outcome is still unclear. One can hope that the two unions will avert a head-on clash and that the NGA will be able to protect its members' interests without invading the NUJ's territory. But already the NGA and the NUJ are more sharply at odds over management plans for the new technology than the Guild and the Typographers ever were. Wallace has written an epilogue to a story that has yet to unfold.

*Postscript:* The foregoing comments were written in October 1985. In early February of this year, publisher Rupert Murdoch moved his British newspaper operations to a new, high-technology plant outside of London, and indicated that he would no longer bargain with the Graphical Association. Unfortunately, most of Murdoch's journalists are crossing the NGA's picket lines, despite a directive by the Journalists Union to respect them. The significance of these developments for the argument speaks for itself. □

— FOOTNOTE —

<sup>1</sup> Michael Wallace, "Technological changes in printing: union response in three countries," *Monthly Labor Review*, July 1985, pp. 41-43.