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JOB LOSS AND TAKEOVERS

Address to

The University of Toledo
College of Law

Third Annual Colloquium
on Corporate Law and Social Policy

March 11, 1988

Joseph A. Grundfest
Commissioner

The views expressed herein are those of Commissioner Grundfest and do not necessarily represent those of the Commission, other Commissioners or Commission staff.

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Few issues in the takeover debate are as controversial or emotion-laden as the relationship between takeovers and job loss. The image of a heartless Gordon Gekko willing to rip a company apart while throwing thousands of workers onto welfare is now part of the common culture. The spectre of job loss and headquarters shutdown is, in my experience, the most politically effective argument favoring restrictions on takeover activity. Although the emotional appeal of these arguments cannot be disputed, the logic of the relationship between job loss and takeover activity simply does not support the political rhetoric.

In this address, I will strive to be logical, not emotional. I will attempt to rely on evidence and reason in place of rhetoric and finger-pointing. To paraphrase Gordon Gekko, I most definitely will not argue that "greed is good." I will, however, contend that many of the arguments linking takeovers to aggregate job loss are bad because they are illogical, exaggerated, contradicted by the evidence, and, on occasion, self-serving. The conclusions I reach are not

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earth-shattering or even, I think, surprising. They do, however, sharply contradict the common wisdom about the relationship between takeovers and job loss.

At the outset, I want to confess that this speech was a tough one to write. It is impossible not to have compassion for workers who have loyally served a company for decades, only to find themselves suddenly out of work closely on the heels of a takeover. The feelings of betrayal and consternation are only aggravated by the millions of dollars stockholders may have earned in takeover premiums and the millions more paid to senior managers who pulled the rip cords on their golden parachutes.

It is also impossible to ignore the pain of states such as Ohio that have seen many plants and facilities shut down in the last few years, with or without takeovers waiting in the wings. In light of these circumstances, I think it only fitting that what I have to say about takeovers and job loss I say here in Toledo, in a part of the country that has been deeply affected by the problems recently encountered by our manufacturing sector, and not in some board room in New York filled with investment bankers who can more easily distance themselves from many of the tough issues raised by takeover activity.

For what it is worth, I know something of the personal pain that results from layoffs. My father was laid off from his job while he was in his early sixties and was subsequently

unable to find permanent employment. The consequences of layoffs reach beyond mere financial considerations, and touch deeply on personal and social values. Logical macroeconomic arguments about the forces of world competition are cold comfort when it's your job that's been cut or when it's your family that's at risk.

But, if we are to make economic progress in today's highly competitive world marketplace, it is essential that we not fall prey to the dangerous and self-defeating fiction that, by stopping takeovers, we will be able to save jobs and stop the economic forces that are reshaping the world's markets. We must and should do what we can to ease the dislocation and local economic difficulties that often ensue from plant closings, whether or not those layoffs are takeover-related. We cannot, however, make progress in America if our economy is required to preserve every job at every skill level and location available in America today for the next three years, five years, ten years, or even longer. Such prescriptions in the name of job security are, unfortunately, prescriptions for macroeconomic disaster.

Nothing that I say will be able to diminish the pain of job loss. I do, however, hope to persuade you that much of the rhetoric attacking takeovers as a cause of job loss is empty and dangerous rhetoric. I also hope to persuade you that there are better ways to attack the job loss problem than by throttling takeovers. Further, I will explain how many of

the economic forces that fuel takeover activity can be harnessed by workers to forge a new form of worker-management cooperation in which labor's interests in productivity, job security, and wages are reconciled with managements' and shareholders' interests in profitable corporate operations.

In other words, a free market for corporate control does not have to be labor's enemy. A free market for corporate control can, if labor is willing to participate in that market on terms that reward labor for its productivity, greatly enhance labor's influence in the corporate decisionmaking process and lead to a more productive and competitive America.

My argument proceeds as follows. First, I will address management's claims that takeovers should be opposed because they lead to job loss and headquarters shutdowns. I will point out that this position suffers from a certain lack of logical consistency. Second, I will explain why estimates of the number of jobs lost because of takeovers are badly overstated and incorrectly imply a causality running from takeovers to job loss. Third, I will discuss the relationship between takeovers and productivity improvements and review evidence suggesting that corporate restructuring and improved worker productivity are positively correlated. Finally, I will discuss the opportunities that takeovers present for a new form of labor-management-stockholder cooperation and explain how a free market for corporate control can enhance labor's control over its own destiny.

Management's Position on Job Loss and Takeovers:
A Problem with Consistency?

Management's position on the job loss and takeover issue is quite intriguing. On one hand, managements opposed to takeovers often point to the spectre of job loss and local plant shutdowns or headquarters moves as a reason to fight takeover activity. On the other hand, managements vigorously protest legislative efforts that would restrain their ability to lay off workers, shut down plants, or move headquarters when and as management likes.

These two positions can be reconciled only if one believes that layoffs, shutdowns, and headquarters relocations that are ordered by current management are "good," while layoffs, shutdowns, and headquarters relocations that result in the wake of a reorganization or takeover are "bad." More cynically, one could argue that management's concern over the relationship between takeovers and job loss may, at times, be a concern born of convenience because it provides a politically popular basis upon which to oppose takeovers.

Unfortunately, there is no shortage of examples that support this characterization.

Perhaps the most famous and successful alliance between an embattled management and a local community involved Phillips Petroleum's claim that a takeover by T. Boone Pickens would turn Bartlesville, Oklahoma into a ghost town. What many people conveniently forget about the Phillips-

Bartlesville situation is that Phillips had slashed 7,000 jobs before Pickens made a run for the company.¹ People also forget that Pickens had offered to move Mesa's headquarters from Amarillo to Bartlesville, thereby increasing local employment, if he prevailed in his takeover attempt.²

Now, suppose for a moment that the government had tried to restrict Phillips' ability to lay off employees before there were any takeovers on the horizon. Would Phillips' management have supported those efforts in order to save employment in Bartlesville? Or, would management have argued for the right to make such layoffs in response to changed economic circumstances? Also, ask yourselves why, if Phillips was so concerned over local employment, it didn't pursue Pickens' offer to move Mesa's headquarters to Bartlesville? Further, suppose that, before Pickens ever announced his takeover attempt, Phillips' management decided to move its headquarters to Houston or Dallas because it determined that operating costs would be lower in those communities. How do you think management would then have responded to local efforts to keep Phillips' headquarters in Bartlesville?

This last question has an interesting and recent Ohio analogue. In June of 1987, the board of Firestone Tire and

¹Norma, What the Raiders Did to Phillips Petroleum, Bus. Wk., March 17, 1986, at 102.

²Ivey, The Oklahoma Town That's At Pickens' Mercy, Bus. Wk., Dec. 24, 1984, at 27.

Rubber Company voted to move Firestone's headquarters from Akron to Chicago. The board expected that this move would cause a reduction of 20 to 25 percent in Firestone's Akron headquarters staff employment.³

The company was sued by stockholders who alleged that Firestone's proxy material was misleading because it failed to disclose the company's plans to leave town. Firestone won the lawsuit and, needless to say, Firestone's management would have protested mightily over any restrictions on their ability to depart Akron for Chicago. However, suppose that Pirelli had made a hostile bid for Firestone about a year ago and explained that it planned to move some of Firestone's headquarters jobs from Akron to Chicago. Is there much doubt that Firestone's management would have opposed the takeover at least in part on grounds of loyalty to the local community and the need to save those jobs for Akron?

The controversy caused by Chrysler's recent decision to shut its Kenosha, Wisconsin plant amplifies the point. Chrysler was not threatened by a hostile takeover at the time it decided to shutter the plant and layoff 5,500 workers. Changed market conditions were cited as the reason for the plant closing.⁴ However, if circumstances were a bit

³Buck v. Nevin, No. C87-1090A, Memorandum of Opinion at 5 (N.D. Ohio, Aug. 6, 1987).

⁴Beegan, Chrysler Fund to Help Wis. Workers, Wash. Post, Feb. 17, 1988, § F, at 3. See also Schlesinger, GM Sued by Town for \$318.3 Million Over Breaking of 64-Year 'Marriage', (continued...)

different, and a corporate raider was looming on the horizon, you could probably bet your Iacocca that Chrysler would have argued that the takeover must be stopped to save Kenosha's jobs.

The point by now is probably clear. When it comes to the job loss debate some managements would like to have their cake and eat it too. Management-sponsored lobbyists groups rant and rave against takeovers because they cause job loss⁵ but simultaneously fight against federal legislation that would make it more difficult for them to shut down plants when management says it makes sense to lay off workers.⁶ Thus, management's position is not that it is against layoffs. Instead, some corporate managers appear committed to

⁴(...continued)

Wall St. J., Aug. 21, 1987, at 2; GM Move Shakes Up Ohio Town, N.Y. Times, Aug. 27, 1987, at 12.

⁵See, e.g., Covington & Burling as counsel for The Coalition to Stop the Raid on America, An Economic Review of Hostile Takeovers (Washington, Sept. 1987) 20-24.

⁶Plant closing legislation has been introduced in Congress every year since 1973, and it has been consistently opposed by management groups every year. Rosky, Battle Over Plant Closings, N.Y. Times, Aug. 27, 1981, § D, at 1. See, e.g., Joint Hearings before the Subcomm. on Labor and the Subcomm. on Employment and Productivity of the Senate Comm. on Labor and Human Resources, 100th Cong., 1st Sess. 371-372 (1987) (testimony of John S. Irving, Jr. on behalf of the NAM). The NAM has been consistently "opposed to mandatory advance notification and consultation requirements because of their detrimental impact on corporate decisionmaking, the creation of new job opportunities, and the ability of American business to compete in a fiercely competitive world market." The NAM opposes federal legislation in this area on grounds that it would "undermine the economic vitality of corporations by mandating unrealistic restrictions not only on closings but also layoffs and by mandating massive disclosure of confidential information about the enterprise." Id.

defending their right to engage in layoffs provided that they are not themselves subject to layoffs.

Do Takeovers "Cause" Job Loss?

Moving on from the question of management's motives, serious questions can also be asked about claims that takeovers cause aggregate job loss. According to the AFL-CIO, approximately "80,000 jobs of members of unions affiliated with the AFL-CIO were eliminated" as a consequence of ill-conceived hostile takeovers and/or resulting hasty leveraged buyouts.⁷ In the textile industry, labor unions point to several examples of layoffs following restructuring activity,⁸

⁷Oversight Hearing before the House Subcomm. on Economic Stabilization and Urban Affairs on Effects of Corporate Mergers and Acquisitions on the Economy of the United States, 100th Cong., 1st Sess. (1987) (testimony of Henry B. Schechter, Deputy Director, Econ. Research Dep't, AFL-CIO).

⁸In a brief amici curiae filed by Amalgamated Clothing & Textile Workers Union and the N.Y. State AFL-CIO in support of the constitutionality of New York Business Corporation Law Section 912 in Salant Acq. Corp. v. Manhattan Industries, Inc., 88 Civ. 0686 (S.D.N.Y., Mar. 1, 1988), the unions cited the following examples of layoffs in the textile industry:

"-- At Burlington Industries, for example, in an ongoing downsizing, the company eliminated 1900 jobs, as part of its effort to pay off the debt associated with a leveraged buy-out that took place as a result of an attempted hostile leveraged transaction. See 'Burlington OK's Sale of Division,' Greensboro News & Record, Feb. 10, 1988.

-- Another textile manufacturer, Dan River, faced similar dislocations after a hostile tender offer led to a leveraged buyout. The company closed five plants in the two years after the transaction; employment at Dan River fell from about 12,000 to about 8,000. See, 'At Dan River, 'A Lot of Us Feel
(continued...)

and according to Senators Sasser, Sanford, and Chafee, "it has been estimated that 500,000 jobs have been lost in the aftermath of takeover attempts in the past three and one-half years."⁹

These statistics, however, are suspect for at least three reasons. First, they fail to adjust for aggregate employment trends in particular industries. Second, they mistakenly assume that takeovers cause layoffs when, in fact, takeovers and layoffs may both be due to structural changes in an industry or in the world economy. Third, they ignore the job gains that may result from takeovers that increase efficiency and improve a company's long-run growth. I will expand on each of these points in turn.

Failure to Adjust for Aggregate Trends. If a company lays off 5,000 workers shortly after a takeover, there is an urge to claim that 5,000 people lost their jobs because of takeovers.¹⁰ Any such conclusion could well be incorrect

⁸(...continued)

that We Got Took," Bus. Wk., Apr. 15, 1985, p. 97.

-- The fate of Health-Tex, a nationally recognized manufacturer of children's clothing, was the same. After a \$220 million leveraged buyout, the company closed three plants in Maine and one in Virginia, eliminating more than 1,000 jobs. See, 'Health-Tex Sets Closings,' N.Y. Times, Feb. 2, 1987; 'Health-Tex's Lynchburg, Va. Plant to Close,' Daily News Record, Feb. 14, 1986. See also 'Fieldcrest Restructuring Eliminating Most Jobs Since 1981,' Southern Textile News, Mar. 24, 1986."

⁹S. Rep. No. 265, 100th Cong. 2nd Sess. 76 (1988).

¹⁰See supra, note 8.

because it is entirely possible that these 5,000 workers would have been laid off regardless of the takeover. I've already mentioned layoffs at Phillips that occurred before Pickens came on the scene,¹¹ and two more examples might also help illustrate this point.

The battle for Gulf Oil was one of the largest and most bitter takeover contests in history. Much has been written about the takeover's adverse consequences on Gulf's Pittsburgh employees and the local Pittsburgh community. Generally overlooked, however, is the fact that Gulf was firing people by the trainload before any takeover threat was announced. Gulf employed 58,000 people in 1981. By 1983, the number of Gulf employees was 42,700 and falling.¹² The relevant question is what would have happened to employment at Gulf Oil had there been no takeover.

For purposes of comparison, Exxon, the largest U.S. oil producer, and presumably the oil company with the least to fear from takeovers, has steadily reduced its worldwide employment from its 1981 peak of 182,000 to a current level of about 102,000.¹³ This decline constitutes a 44% reduction from 1981 workforce levels. Had Gulf remained independent and reduced its 1981 workforce at the same pace as Exxon, it would

¹¹See supra, page 6.

¹²See, Davis, The Biggest Knockover: T. Boone Pickens and the End of Gulf Oil, Harper's, Jan. 1985, at 53, 63.

¹³Tanner, Lean Exxon Tiger, Still a Giant, Has a Smaller Appetite, Wall St. J., Mar. 16, 1987, at 6.

today have about 32,480 employees. Gulf would therefore have had to lay off another 10,000 workers, or about a quarter of its 1983 workforce, had it remained independent, to keep pace with employment changes at its least takeover-vulnerable competitor.

In 1984, Chevron acquired Gulf in a white-knight transaction designed to avoid a Pickens-led takeover attempt. Now suppose that following the Chevron-Gulf merger Chevron laid off 10,000 Gulf workers. Would it be possible to claim that all those jobs were "lost" because of a takeover? Hardly, because many, if not all, of those jobs would likely have been cut even if there were no Pickens-led battle for control of Gulf, and even if Chevron never engaged in the merger. This simple example illustrates the fallacy of counting the number of layoffs after a takeover and blaming all those dismissals on takeover activity.

As a second example, consider Chemical Bank's recent announcement that it intends to "trim about 10 percent of its 21,000 employees and sell several subsidiaries to strengthen the bank's financial performance."¹⁴ Now, suppose a competitor announced a takeover of Chemical Bank and stated its intention to continue with management's plan to trim employment and sell some subsidiaries. Would it then be reasonable to claim a takeover caused 10% of Chemical's

¹⁴Wayne, Chemical to Cut Jobs and Sell Units, N.Y. Times, Sept. 15, 1987, § D, at 1.

workforce to lose its jobs? No, but that's just the way the calculation would be done by some takeover opponents.

Comparisons like this show why one cannot conclude that jobs lost after a takeover were lost because of the takeover. Rather, job gains or losses must be measured relative to industrywide trends. Takeover critics have overlooked this important adjustment and have therefore overstated the job loss consequences of takeover activity.

Independent Factors. Even after adjusting for job losses that would have occurred in any event, the possibility remains that the takeover does not cause any additional job loss as much as the takeover and the further job loss are both caused by a third, independent factor. In a declining industry, a situation often arises in which there are too many firms relative to aggregate demand. The most efficient means of resolving this excess capacity problem often involves a horizontal merger that rationalizes capacity. Alternatively, one or more companies may cease operations without a merger, perhaps only after a costly bankruptcy. In this context, if a merger occurs and is followed by layoffs that would not have happened absent the merger, then a proper logical analysis would conclude that both the merger and any ensuing layoffs were caused by an excess capacity problem. It is incorrect to argue, "post hoc, ergo propter hoc," that simply because the merger preceded the layoffs the merger must have been the cause of the layoffs. Once again, however, simple logic

negates much of the rhetoric that has found its way into the common wisdom.

Academic Studies. Interestingly, and, I think, quite significantly, academic studies of the relationship between takeovers and job loss that attempt to take into account the factors I've just discussed do not support the broad-based fears that takeovers cause job loss. Thus, Brown & Medoff report that, "Contrary to the tenor of public press coverage of acquisitions, we find that wages generally grow faster following acquisitions. . . . We also find employment grows faster."¹⁵ Similarly, Yago & Stevenson conclude that acquisition activity "has little generalizable effect on employment,"¹⁶ and Kaplan finds that after a leveraged buyout employment increases, on average, although less rapidly than in a control sample.¹⁷

Job Loss and Productivity

Suppose, however, that further studies are performed that show that after a properly adjusted baseline is calculated, takeover activity is correlated with reduced employment. Does

¹⁵Brown & Medoff, The Impact of Firm Acquisition on Labor in A. Auerbach, ed., The Economic Effects of Mergers and Acquisitions (National Bureau of Economic Research, forthcoming 1988).

¹⁶Yago & Stevenson, Mergers and Acquisition in the New Jersey Economy, Economic Research Bureau, State Univ. of New York, Stony Brook (May 8, 1986).

¹⁷Kaplan, Management Buyouts: Efficiency Gains or Value Transfers (Harv. Bus. School working paper, 1987).

it follow that takeovers have a harmful economic impact? Again, the answer is no. Before any such conclusions can be drawn, it is necessary to consider the implications of takeovers for worker productivity.

If, after a takeover is completed, employment declines by ten percent while all other measures of corporate performance remain constant, then output per employee has increased by about ten percent. This ten percent productivity increase improves the company's ability to compete in worldwide markets. It also gives the firm an edge over competitors, and can establish a foundation from which the company can grow. Indeed, some industries' very existence can be threatened by low productivity. Unless firms in such low-productivity high-capacity industries reduce aggregate employment in order to raise the per-capita output of remaining workers, all employees in the industry may soon find themselves unemployed because low productivity makes it impossible for their product to compete in the world marketplace.

The evidence of a correlation between job loss and productivity gain is more than hypothetical. Morgan Stanley's chief economist, John Paulus, finds that industries that have had a disproportionate share of mergers, acquisitions, and leveraged buyouts--and so presumably a higher than average share of restructuring of all kinds--also tend to have higher productivity growth. In particular, manufacturing and mining, which represents only a quarter of U.S. industrial output, has

accounted for 50% to 60% of M&A activity since 1980. In the same period it also posted annual productivity gains of 3.3%, three times the 1.1% gains achieved by the nonfarm economy as a whole. Many individual industries show the same pattern, with heavily restructured steelmakers, tire producers, and iron, copper, and coal miners, railroad equipment manufacturers enjoying dramatic productivity surges.¹⁸

Thus, productivity gains appear to be correlated with takeover activity.¹⁹ This finding suggests that even if takeover activity is correlated with job reductions, takeovers may have a beneficial aggregate economic effect through productivity enhancements. Accordingly, before one reaches any conclusion about the aggregate economic consequences of takeovers on job formation, one must also look at productivity effects in conjunction with properly calculated job loss estimates.

¹⁸Paulus & Gay, Is America Helping Herself?: Corporate Restructuring and Global Competition (Morgan Stanley & Co., 1987); see also Magnet, Restructuring Really Works, *Fortune*, March 2, 1987, at 38; Economic Report of the President 1988 at 72-74.

¹⁹A correlation between takeover activity and productivity improvement does not establish that takeovers cause increases in productivity. As suggested supra at pages 13-14, takeovers and productivity increases may both be caused by a third factor, such as the need to adjust to increased import competition. It can therefore be argued that factors such as import competition which cause both takeovers and productivity enhancements are the driving forces behind productivity gains. However, by the same logic, these forces may also be responsible for the job loss that is correlated with takeovers. All of which simply reiterates the care that must be exercised in any attempt to claim that takeovers cause harmful job loss.

Aggregate Job Formation

Another factor to be kept in mind in the takeover-job loss debate is that "since the expansion began in November 1982, total employment increased by 15 million, and the unemployment rate has fallen by 4.9 percentage points to 5.7 percent."²⁰ This job growth has occurred during a period of substantial takeover activity. In contrast, Western Europe, which has been relatively immune to takeovers, has created few jobs since 1970 and "unemployment rates in many European countries have increased since 1982, to levels well above earlier post-war peaks."²¹

Thus, the argument that takeovers have caused aggregate job loss is not, at first glance, consistent with the aggregate data. It is possible, of course, that still more jobs would have been created had takeover activity been more modest, but the initial burden of proof appears to rest against this proposition.

Opportunities for Labor

The notion that takeovers are inevitably harmful to labor's interests is also, I believe, incorrect. A free market for corporate control is not inevitably labor's enemy, and recent experience illustrates the extent to which labor

²⁰Economic Report of the President, supra note 18 at 58.

²¹Sprinkel, A Back Door Tax, Wash. Post, July 21, 1987, at 21.

can participate in the takeover process much to its own advantage.

United Airlines' pilots were quite concerned over plans at Allegis Corporation, United's conglomerate parent, to invest more capital in a conglomerate strategy that the pilots believed was damaging to the firm's core airline business.²² In the days before an active market for corporate control, the pilots would have been out of luck because there would have been no effective means by which they could derail management's plans. The capital markets, however, agreed with the pilots' assessment that the conglomerate strategy made little sense. The Airline Pilots Association retained its own investment bankers and, after stockholders banded together with labor behind the view that the conglomerate strategy was misguided, Allegis' management was canned, the conglomerate strategy was undone, and the pilots and United's other workers achieved a large portion of their goals.²³ The Allegis experience stands perhaps as the best example of labor-stockholder cooperation that benefits both groups in a manner that would be impossible without an active market for corporate control.

Similarly, at Pan Am, labor dissatisfaction combined with an understanding of capital market operations led to a major

²²Kearns, How Labor, Wall Street, Changed Allegis' Cause, Chi. Tribune, Sept. 21, 1987, at 1.

²³Id.

management overhaul,²⁴ and there are several other examples of labor influencing the cause of corporate decisionmaking through capital market participation.²⁵ Interestingly, Mike Milken, Drexel Burnham's famous and somewhat controversial financier, has commented that "in recent years we've financed companies where managers became owners, . . . Now it's shifting to the next level, to employees getting involved in ownership, which will motivate them the way it did managers."²⁶ Milken also estimates that "10% of Drexel's financing business will involve employee-owned companies by 1988."²⁷

Whether Milken's estimates are accurate or not is beside the point. The fact is that the capital market certainly does not discriminate against labor participation. In many situations, corporations may be run quite inefficiently. A company's workers, if they are willing to craft and implement plans that improve productivity by increasing the value of output per dollar of corporate expenditure, can add substantial capital value to the corporation's shares. There is no reason why labor should not participate in the market for corporate control in an attempt to capture some of the

²⁴Salpukas, Pan Am in a Union Deal, Ousts 2 Top Executives, N.Y. Times, Jan. 22, 1988, at 1.

²⁵Bernstein, Move Over Boone, Carl, and Irv--Here Comes Labor, Bus. Wk., Dec. 14, 1987, at 124.

²⁶Id.

²⁷Id.

capital value added by these productivity improvements. These plans to increase productivity do not have to involve give-backs or layoffs. Changes in work rules, the ability to utilize capital already in place, and in simple factors such as effort can add substantial value that can be used to raise capital in the marketplace.

Thus, there is an active potential role for a company's employees at the takeover bargaining table provided that the topic of conversation is productivity enhancement, not featherbedding, and not policies designed to protect labor practices that may have been sustainable in the 1950's and 1960's, but that are wholly out of step with the realities of today's marketplace. If labor gets smart about the relationship between productivity, wages, and job security, and if labor learns that its interest in productivity is consistent with stockholders', then labor can become an active and successful participant in the market for corporate control. Labor need not be perceived as a pawn in the takeover game.

Conclusion

My goal this afternoon is to cause you to think differently about the relationship between takeovers and job loss--not necessarily to change your minds. To the extent I can, I want to question the common wisdom about takeovers and job loss because it simply does not withstand careful scrutiny. The sooner we realize that fact, the sooner we will

be able to adapt to changing economic realities and protect American jobs through strategies that are feasible and effective in a rapidly changing and highly internationalized marketplace.