Right-to-Work Legislation, Social Capital, and Variations in State Union Density

Abstract

This paper exploits the variation in union membership among states to analyze the impact of right-to-work (RTW) laws on union density. The study is unique in its use of controls for employer opposition to unions, political affiliation, and social capital. These variables capture different dimensions of attitudes toward unions which can underlie both union density and the passage of RTW laws. Employer opposition and RTW laws have a significant, negative impact on union density, while voting for the Democratic presidential candidate in the 2000 election is insignificant. The social capital index also is insignificant, a result we explain and empirically demonstrate in terms of its contradictory impact on unionization. We then show that one of the components of social capital is a significant predictor of union density. The other focus variables remain significant. This equation explains over three-quarters of the variation in union density, a very high degree of explanatory power for a cross-sectional model. States with RTW legislation exhibit lower union density by 8.8 percentage points, ceteris paribus. We conclude that RTW laws have a strong, negative effect on union density that is independent of underlying attitudes toward unions.
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The variation in union density among states can provide insight into the determinants of unionism that national or comparative studies (e.g., Lipset and Katchanovski 2001; Rose and Chaison 2001) may be unable to discern. This is particularly true of RTW laws since such laws are established by state governments. Other factors that can affect union density, such as political beliefs and employer opposition to unions, show greater and more meaningful geographic variation than changes over time.