Chapter 13

ORGANIZED LABOR

13-1 Milestones of the Labor Movement

13-2 Unions in the Workplace Today
In the early 1980s, workers in the shipyards of Gdansk, Poland, desired greater economic opportunities and political freedom. The Solidarity labor movement, led by Lech Walesa, organized a strike at the shipyards. This labor action spread to other industries, putting pressure on the Communist government of the country.

In December 1981, in response to the activities of the union, Solidarity was outlawed. Walesa and others were jailed. For the next seven years, the activities of the union moved underground. However, as governments in eastern Europe began their move from Communism to democracy, the Solidarity labor movement again became openly active. Its actions led to the formation of a political party, and in 1989, Solidarity candidates won a majority of the elected seats in the Polish parliament.

One year later Lech Walesa was elected the president of Poland. Walesa was awarded the Nobel Peace Prize in 1983 for his efforts that led to changes in Poland and much of eastern Europe.

**Think Critically**

1. How did the Solidarity strike at the shipyards set the stage for change in the Polish government?
2. Why do you think Lech Walesa was jailed by the Communist leaders of Poland?
3. Go to the web site of The American Institute of Polish Culture. Click on Poland, Famous Poles, and Lech Walesa to find out what happened to him after he received the Nobel Peace Prize.
Describe historical reasons why labor unions were formed and the legal problems they faced.

Discuss the effects and nature of international labor activities.

Discuss the history of labor unions and their current status.

**GOALS**

Unions affect the management of human resources in important ways in the workplace. A labor union is an organization of workers whose goal is improving members’ working conditions, wages, and benefits. The important principle behind unions is that there is strength in numbers. It is relatively easy to ignore the complaints of one or two employees who are unhappy with some aspect of their jobs. However, it is much more difficult to fire and replace a large organized group of employees.

**FORMATION OF LABOR UNIONS**

Unions affect the management of human resources in important ways in the workplace. A labor union is an organization of workers whose goal is improving members’ working conditions, wages, and benefits. The important principle behind unions is that there is strength in numbers. It is relatively easy to ignore the complaints of one or two employees who are unhappy with some aspect of their jobs. However, it is much more difficult to fire and replace a large organized group of employees.

**LABOR UNIONS IN THE UNITED STATES**

The members of the early unions in the United States were skilled workers—shoemakers, printers, carpenters, and tailors. Their goal was to protect industry wage rates by preventing other workers who were asking for lower wages from getting hired.

The first large modern unions in the United States were formed during the nineteenth century as a result of the Industrial Revolution. Previously, goods had been made in small quantities and at a fairly slow pace by skilled workers. With the onset of the Industrial Revolution, more goods were produced at a cheaper cost and on a larger scale with the help of machines. Working conditions in factories consisted of long hours of work, unsafe machinery, low wages, few or no benefits, and the use of child labor. In an effort to improve these conditions, workers formed unions.
LEGAL STATUS OF THE FIRST UNIONS

Establishing unions in the early years was not easy. U.S. employers formed their own associations to destroy the employees’ efforts to organize unions. Management sought the help of the courts, which tended to sympathize with employers rather than with employees.

Unions were described as “criminal conspiracies” whose goal was to hurt trade and commerce. Union members were described as communists, anarchists, and outside agitators by the courts and by management.

A common technique employers used to prevent union activity was to obtain an injunction. An injunction is a court order that immediately stops a person or group from carrying out a specific action. Although injunctions were lifted eventually, they stopped union activities and caused the unions to use their time and money to fight legal battles. Union and management conflicts also led to violence and bloodshed. Efforts by management to keep unions in check were matched by the efforts of an ever increasing union membership.

LEGAL STATUS OF UNIONS TODAY

Today U.S. workers have the legal right to join labor unions. The National Labor Relations Act (1935) gave most private-sector workers the right to form unions, bargain with employers, and strike. Collective bargaining is negotiation between union workers and their employers on issues of wages, benefits, and working conditions. Since supervisors are considered to be agents of employers, they do not have collective bargaining rights.

The use of injunctions in labor disputes has been limited since 1932. Congress has passed many laws to protect unions and to promote stable labor-management relations. State and local government employees are covered by the various state, county, and city laws. Federal government employees cannot go on strike or negotiate over wages or other money matters.

Think Critically

1. What factors led to the disappearance of the Noble Order of the Knights of Labor?
2. If it existed today, why would the Noble Order of the Knights of Labor likely be ineffective?
LABOR UNIONS IN OTHER COUNTRIES

In the United States, labor unions developed after laborers already had basic civil rights, such as the right to vote. Labor unions in the United States were mostly concerned with the right to bargain collectively for working conditions. However, unions are not confined to the United States. For example, the close economic relationship between the United States and Canada led to the formation of branches of many U.S. unions in Canada. Typically, these unions represent the workers of U.S. companies operating in Canada. Such unions call themselves international unions. In recent years, Canadian workers have begun to sever their ties with U.S. unions and to establish their own unions.

European labor groups were the vehicle through which workers gained freedom from feudalism, as well as various rights and powers through collective action. There is a strong sense of worker identity in these unions.

Unions in many European countries are major institutions that are often active in national politics. In the United Kingdom, the Labour Party is closely linked with labor unions. Unions provide funds to the party and help in national elections. Historically, when the Labour Party was in power, government policies were more favorable toward unions.

In Germany, unions are organized along industry lines. The unions tend

HISTORY: UNIONS IN THE UNITED KINGDOM

In the United Kingdom in 1979, the Conservative Party formed a new government under the leadership of Prime Minister Margaret Thatcher. Mrs. Thatcher believed in a free market economy with as little government intervention or involvement as possible. She also thought that labor unions were preventing the United Kingdom from achieving economic success.

When Prime Minister Margaret Thatcher took office, more than half of the workforce were union members who were closely affiliated with the major opposition political party, the Labour Party. In the dozen years that she governed, a series of laws designed to reduce the substantial power and influence of unions in British society were passed.

Many elements of the new laws in Britain were borrowed from the United States, where labor laws are much less open to abuse. Various types of strikes were outlawed, the role of union leaders was reduced, and workers were given the opportunity to stop having a union represent them or to change unions. As a result, union membership in the United Kingdom has fallen dramatically, and strikes, which were relatively commonplace, occur much less frequently now than in the past.

Think Critically

1. Why did Margaret Thatcher oppose the unions in the United Kingdom?
2. Why was Margaret Thatcher able to radically change the labor laws in the United Kingdom?
3. How do you think the changes in the labor laws benefited the British economy?
to be quite wealthy and to invest their money very carefully in businesses such as banking, insurance, and housing. German unions are also actively involved in the management of businesses. By law, they have representatives on the boards of directors of companies. This policy of having union members serve on the boards of directors is known as codetermination.

Japan suffered from much labor unrest in the late 1940s, and the 1950s brought so many strikes that industry output was hampered. Today in Japan, however, the relationship between unions and employers is usually cooperative in nature.

National unions realize that multinational companies sometimes try to escape the unions by transferring production to other countries. Unions perceive this as a threat to the job security of their members. To prevent this, unions have tried to consult with unions in other countries and coordinate their responses to company actions.

Multinational labor activity may increase in the future as the global economy grows in complexity and interdependence. However, national labor unions are divided by differences of opinion. The influence of government and legislation varies significantly from country to country. The level of economic development in a country has a strong effect on the strength and power of a union.

The International Labor Organization is a specialized agency of the United Nations, with headquarters in Geneva, Switzerland. Its primary goal is to improve conditions for workers all over the world. It has been active in establishing minimum standards of working conditions for member-countries to meet.

What is the status of union membership today? Have the economic fluctuations of the last several decades helped or hurt unions and their collective bargaining strength? What effect have the strides in technology had on unionized industries?

Evolution of the AFL-CIO

In the United States, labor unions were originally organized along craft lines. Workers with a particular skill formed a local or national union to represent their needs. The American Federation of Labor (AFL), formed in 1886, combined these craft unions to form a huge national labor union, a union of labor unions.

In the 1900s, with the growth of large industries such as automobile, rubber, and steel, some leaders of the AFL pushed to organize the ever-increasing number of mass-production workers. Indeed, workers had already begun to form unions not on the basis of their skills, but on the basis of the industry in which they worked. Thus, the workers in the automobile industry organized to form the United Auto Workers Union, and steel industry workers organized to form the United Steel Workers Union.
Chapter 13  ORGANIZED LABOR

Leaders of the AFL were divided about whether to allow these unskilled and semiskilled workers into the AFL. This division led to enormous tension in the single largest labor union of the country. Some members of the AFL established the Committee for Industrial Organizations (CIO) in an effort to recruit members from the ranks of industrial workers. (Its name was later changed to the Congress of Industrial Organizations.) The CIO quickly gained millions of members, unionizing workers even where no unions had previously existed. In retaliation, the AFL expelled the unions and their leaders who had organized the CIO. The CIO, with its diverse union membership, became an organization completely separate from the AFL.

In 1955, the AFL and CIO merged to form the AFL-CIO. The AFL-CIO is an organization of American unions that uses its size and resources to influence legislation that affects its members. Today most U.S. unions are members of this organization. Figure 13-1 lists some of the major unions that are members of the AFL-CIO and the size of their memberships.

Unions that are strictly craft or strictly industrial are less common today. Most unions have both craft and industrial workers. In addition, unions today have a more diverse membership. Workers in a wide variety of industries and occupations often belong to the same union. Teamster’s Union members are a good example of this diversity. They range from truck drivers and chauffeurs to warehouse employees, from service station employees to workers in soft-drink plants, and from dairy workers to airline employees.

### MAJOR UNIONS AFFILIATED WITH THE AFL-CIO

<table>
<thead>
<tr>
<th>Union</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Education Association</td>
<td>2,669,000</td>
</tr>
<tr>
<td>International Brotherhood of Teamsters</td>
<td>1,398,000</td>
</tr>
<tr>
<td>United Food and Commercial Workers International Union</td>
<td>1,385,000</td>
</tr>
<tr>
<td>Service Employees International Union</td>
<td>1,376,000</td>
</tr>
<tr>
<td>American Federation of State, County, and Municipal Employees</td>
<td>1,300,000</td>
</tr>
<tr>
<td>Laborers’ International Union of North America</td>
<td>795,000</td>
</tr>
<tr>
<td>American Federation of Teachers</td>
<td>741,000</td>
</tr>
<tr>
<td>International Association of Machinists and Aerospace Workers</td>
<td>723,000</td>
</tr>
<tr>
<td>International Brotherhood of Electrical Workers</td>
<td>722,000</td>
</tr>
<tr>
<td>International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America</td>
<td>702,000</td>
</tr>
<tr>
<td>Communications Workers of America</td>
<td>589,000</td>
</tr>
<tr>
<td>United Steelworkers of America</td>
<td>589,000</td>
</tr>
<tr>
<td>United Brotherhood of Carpenters and Joiners of America</td>
<td>538,000</td>
</tr>
</tbody>
</table>

Source: Adapted from Infoplease almanac.

Figure 13-1  Most U.S. labor unions are affiliated with the AFL-CIO.
MEMBERSHIP IN UNIONS TODAY

Union membership in the United States is about 14 percent of the total workforce. In the early 1950s, nearly 33 percent of the total workforce was unionized. There are many reasons for this decline in union membership. Manufacturing industries, which traditionally have been union strongholds, have become a smaller part of the economy. Today more jobs are being created in service industries, such as restaurants, banks, and hospitals. Unions have had less experience organizing in service industries. The working conditions in service industries are much different than those in manufacturing industries.

The government has enacted laws that mandate a minimum wage, overtime pay, safe working conditions, and equal employment opportunities for all. Therefore, there is less need to join a union today for collective bargaining with employers.

The decline in union membership is not confined to the United States. Most developed countries with economies and government policies similar to those of the United States have experienced a similar membership decline. Figure 13-2 shows the percentage of the labor force that is active in unions.

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage of Labor Force</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>90</td>
</tr>
<tr>
<td>Denmark</td>
<td>80</td>
</tr>
<tr>
<td>Italy</td>
<td>44</td>
</tr>
<tr>
<td>Canada</td>
<td>37</td>
</tr>
<tr>
<td>Australia</td>
<td>35</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>33</td>
</tr>
<tr>
<td>Germany</td>
<td>29</td>
</tr>
<tr>
<td>Netherlands</td>
<td>25</td>
</tr>
<tr>
<td>Japan</td>
<td>24</td>
</tr>
<tr>
<td>France</td>
<td>9</td>
</tr>
</tbody>
</table>


Figure 13-2 Compared to many other developed countries, the percentage of U.S. workers who belong to a union (14%) is quite small.

Why is union membership declining in many developed countries?
REVIEW GLOBAL BUSINESS TERMS

Define each of the following terms.

1. labor union
2. injunction
3. collective bargaining
4. codetermination
5. AFL-CIO

REVIEW GLOBAL BUSINESS CONCEPTS

6. Explain how the Industrial Revolution created conditions that led to the rise of unions.
7. What is the significance of the National Labor Relations Act of 1935?
8. Why did the American Federation of Labor and the Congress of Industrial Organizations break apart?

SOLVE GLOBAL BUSINESS PROBLEMS

Your restaurant is in a border town and employs workers from each of the two adjacent countries. Your chefs, kitchen helpers, servers, and cashiers have joined a union to negotiate a collective bargaining agreement with you. The agreement will cover wages, working conditions, and other terms of employment. Your goal is to keep the restaurant profitable while meeting the demands of employees.

9. Would you agree to a minimum wage of $10 per hour for all employees? Why or why not?
10. Are you willing to accept the risk of a strike if the employees’ demand for at least two weeks of paid vacation for each employee every year is not met? Why or why not?
11. What are your options if the union doesn’t take your proposals seriously?

THINK CRITICALLY

12. When you attain your first full-time job, would you consider joining a union? Why or why not?
13. Why has it been very difficult for unions in different countries to cooperate with each other, except to exchange information?
14. Why are federal government and many other public employees (such as police officers and firefighters) not allowed to strike?

MAKE CONNECTIONS

15. CULTURAL STUDIES Why might cultures with an individualistic orientation tend to be less tolerant of unions than many other cultures?
16. LAW Does codetermination favor the rights of employees over the rights of managers and owners? Why or why not?
The main purpose of a union is to improve the working conditions of its members. Before it can achieve this objective, however, it has to accomplish several steps. First, the union must win the right to represent the workers by a majority vote. Then the workers must individually decide if they want to join the union.

ELECTIONS
Major unions send union organizers to workplaces to convince workers to become union members. Union organizers are trained and experienced in persuading workers to join a union. In other cases, workers may decide on their own that they would like to join a union. When this happens, the workers themselves contact the union.

Unions are always eager to organize workers to increase their membership base. Union members pay membership dues, so more members means more resources for the union. This in turn allows the union to represent union workers more effectively and to persuade new workers to join.

In most cases, the next step is to hold an election. A union representation election is held to find out if the workers in a workplace really want to become union members. To win the right to represent workers, the union must get a simple majority of the votes cast. Once the union wins, the employer is required by law to refrain from making arrangements with individual workers. The employer can only negotiate with the union concerning issues such as workers’ pay, work hours, benefits, problems, and discipline.
Intense campaigning by both the union and the employer often occurs during the period before the election. The union tries to persuade the workers to vote for the union. The employer tries to dissuade the workers from doing so. To ensure that the election conditions are free and fair, activities such as bribing and threatening workers are forbidden by law.

**TYPES OF UNION REPRESENTATION**

If the union wins the representation election, it obtains the right to represent all workers, not just those who voted for the union. However, some workers may not want to join the union, and they cannot be forced to join. Because all workers will receive the benefits of union services, the union usually requires that those workers opting not to join still pay a certain fee. This arrangement in which all workers must pay either union dues or a fee is called a **union shop**. It enables the union to obtain resources to perform its functions.

In a **closed shop**, workers are required to join a union before they are hired. Today, closed shops are generally illegal. The other extreme, an open shop, is also very rare. In an **open shop**, workers may choose to join a union or not. If not, they need not pay a fee of any kind. This arrangement is not in the best interest of the union since it may discourage workers from contributing to the union. At the same time, the union has the legal obligation to provide services to the nonmember workers.

**Global Business Example**

**THE SAD BUT REAL THING**

Coca-Cola is the world’s largest soft drink company. It operates in over 200 countries around the world. Although Coke experienced global boom times from the 1980s through the mid-1990s, recent years have been trying for the multinational company.

In an effort to boost global profits, Coca-Cola announced massive layoffs early in 2000. By sacrificing 20 percent of its workforce, about 6,000 employees, Coke hoped to save $300 million a year. It also hoped to give more power to overseas executives.

Usually investors applaud major job cuts and money-saving ways of conducting business. The stock price typically soars in response to bold moves from management. However, Wall Street traders were not very impressed, and the stock price quickly fell 13 percent. Investors were wary of the long-term earnings and sales growth for Coca-Cola and concerned about the recent product contamination crisis in Belgium and boycotts in China. Major job and cost reductions weren’t enough to redeem the tarnished image of the world’s best known brand name, Coca-Cola.

*Source: Adapted from “It’s the real, sad thing,” U.S. News & World Report, February 7, 2000, p. 41.*

**Think Critically**

1. Why do you think Coca-Cola made the highly unusual decision to lay off 20 percent of its employees?
2. What effect do you think the layoffs had on Atlanta, where Coca-Cola is headquartered?
3. Why do you think investors responded unfavorably to the news of massive layoffs at Coca-Cola?

Think Critically

1. Why do you think Coca-Cola made the highly unusual decision to lay off 20 percent of its employees?
2. What effect do you think the layoffs had on Atlanta, where Coca-Cola is headquartered?
3. Why do you think investors responded unfavorably to the news of massive layoffs at Coca-Cola?

**CheckPoint**

What does a union gain if it wins a representation election?
Tools of Labor Negotiations

Labor and management are required by law to bargain in good faith over issues of wages, hours, and working conditions. However, they may also negotiate over any other issue as long as it is not something illegal. For example, labor and management can negotiate over group health benefits or family leave allowances. Collective bargaining negotiations are often complicated affairs, and it can take several months for employers and union representatives to reach an agreement.

Grievance Procedure

A grievance procedure is included in most collective bargaining contracts. A grievance procedure is the steps that must be followed to resolve a complaint by an employee, the union, or the employer. A discussion of complaints usually begins at the lowest level of management and union officials. If they are unable to settle the matter, the problem then moves to higher levels until the two sides reach an agreement.

Arbitration

If the parties can't agree, an arbitrator is needed. An arbitrator is an unbiased third party who is called in to resolve problems. The courts have agreed not to overturn or review an arbitrator's decision. Therefore, the decision of the arbitrator is generally final and binding.

While most arbitrators are usually lawyers or university professors, they may be anyone on whom the union and the employer mutually agree. Most arbitrators are members of the American Arbitration Association or the Federal Mediation and Conciliation Service (FMCS). The FMCS also provides services to break deadlocks or mediate disputes that arise when the union and the employer are involved in collective bargaining.

Net Bookmark

In India and around the world, child laborers are forming groups and working together to fight for the right to work, a living wage, and better working conditions. Access intlbizxtra.swlearning.com and click on the link for Chapter 13. Read the article entitled "Underage Unions: Child Laborers Speak Up." Then write a paragraph explaining why adult labor groups resist participation by children in labor decisions.

intlbizxtra.swlearning.com
STRIKES

When bargaining with employers, union leaders sometimes threaten strikes to force the employer to make the concessions wanted by union leaders. A strike occurs when employees refuse to work to force an employer to agree to certain demands. Part of the dues that members pay usually goes into a strike fund. The union then uses this money to pay striking workers when the need arises.

Some grievance procedures include a no-strike clause, which makes it unlawful for workers to go on strike. This allows the company and the union to address a problem when it arises but does not allow interruption of work. Agreeing to a no-strike clause is a big concession on the part of the union. Striking is the most powerful weapon a union has against an employer. In turn, however, the employer agrees to a process to settle any complaints that arise.

Over the years, there has been a decline in strike activity in the United States. Figure 13-3 shows that the number of strikes, the number of workers who actually go on strike, and the total number of workdays lost due to strike have declined.

There are many reasons for this decline in the occurrence of strikes.

- Union membership is decreasing.
- Strikes mean loss of income and benefits, which most workers are not willing to risk.
- Arbitrators help resolve deadlocks before they turn into strikes.
- Employers are better prepared for strikes by learning to operate machines or building up supplies in advance.

![Work as a Group](https://www.statisticalabstracts.com/2002/Table_627.html)

**WORK STOPPAGES IN THE UNITED STATES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Strikes</th>
<th>Workers Involved</th>
<th>Days Involved</th>
<th>Percentage of Working Time Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>268</td>
<td>999,000</td>
<td>15,140,000</td>
<td>10</td>
</tr>
<tr>
<td>1970</td>
<td>381</td>
<td>2,468,000</td>
<td>52,761,000</td>
<td>29</td>
</tr>
<tr>
<td>1975</td>
<td>235</td>
<td>965,000</td>
<td>17,563,000</td>
<td>9</td>
</tr>
<tr>
<td>1980</td>
<td>187</td>
<td>795,000</td>
<td>20,844,000</td>
<td>9</td>
</tr>
<tr>
<td>1985</td>
<td>54</td>
<td>324,000</td>
<td>7,079,000</td>
<td>3</td>
</tr>
<tr>
<td>1990</td>
<td>44</td>
<td>185,000</td>
<td>5,926,000</td>
<td>2</td>
</tr>
<tr>
<td>1995</td>
<td>31</td>
<td>192,000</td>
<td>5,771,000</td>
<td>2</td>
</tr>
<tr>
<td>2000</td>
<td>39</td>
<td>394,000</td>
<td>20,419,000</td>
<td>6</td>
</tr>
</tbody>
</table>


**Figure 13-3** Overall, the number of strikes in the United States has declined during recent decades.
Effectiveness of strikes is reduced by increased automation of manufacturing processes.

Available workers to defy the strike has increased.

Workers' fears about losing permanent jobs due to a strike have increased.

Given the general decline in the effectiveness of the strike weapon, unions are resorting to techniques such as pickets, boycotts, and corporate campaigns to put pressure on employers.

INTERNATIONAL STRIKEBREAKERS

Workers at a brewery near Sydney, Australia, went on strike to demand job security. New Zealand-based multinational company Lion Nathan owned the brewery. Within hours of the beginning of the strike, Lion Nathan hired 50 New Zealanders and flew them to Sydney to take the jobs of the strikers. With unemployment above 10 percent in New Zealand, there were many people willing to cross the Tasman Sea to work. Lion Nathan was able to employ New Zealanders in Australia with ease because treaties between the two countries allowed citizens of one country to work in the other. The conduct of Lion Nathan confirmed the worst fears the union in Sydney had about multinational firms. In New Zealand itself, many people criticized the 50 strikebreakers who went to work in Australia. They pointed out that an Australian firm in New Zealand could just as easily employ Australian strikebreakers if New Zealand workers went on strike.

Think Critically
1. If you were a citizen of Australia when the strikebreakers were used, how would you feel? Why?
2. Was it ethical for Lion Nathan to hire New Zealand strikebreakers to work in Australia? Why?
3. Why did many New Zealanders respond negatively to the use of strikebreakers by Lion Nathan?

A Question of Ethics

What are three methods used to secure agreement between unions and management?
Employers use many techniques to keep unions out of the workplace. When wages and benefits are good and employees are treated fairly, the workers have no particular need for a union. Workers find unions attractive only when they believe they are being treated unfairly. Many employers resort to illegal activities, such as disciplining union sympathizers or threatening dismissal, to discourage workers from joining a union. In other situations, the employer may prolong the collective bargaining sessions in an attempt to discredit the union in the eyes of its members.

Employers have the right to a lockout, which is literally locking employees out of the workplace to force a union to agree to certain demands. A lockout is similar to the workers’ right to strike.

WHEN UNIONS AND MANAGEMENT WORK TOGETHER

Unions and employers have often viewed each other more as adversaries than as allies. In recent years, however, there have been an increasing number of cases in which unions and employers have begun to cooperate not only to save jobs, but also to increase productivity. Employers are acknowledging that trained and experienced workers are an asset because they contribute to the efficient operation of the business. Unions, too, realize that their ability to demand better wages and improved working conditions depends on the overall success of the company.

E-COMMERCE IN ACTION

Pinnacle PLC Goes Electronic

In response to aggressive efforts to unionize its operations in several western European countries, the management of Pinnacle PLC decided to change directions. It decided to phase out its luxury goods retail operations in Europe and Asia and to expand its electronic marketing operations over a three-year period.

Managers of Pinnacle PLC decided to transfer its primary operations to Hong Kong for various reasons. Among them were its large English-speaking population, its familiarity with both Western and Eastern business practices, and its manufacturing and shipping capabilities.

During the transition, the managers of Pinnacle PLC realized that major changes in operations would be necessary. They decided to refine and expand the company website. In conjunction with that, they agreed about the need to find reliable manufacturers, suppliers, and shippers in Southeast Asia. Further, they developed a plan to create a niche market for Pinnacle products with a sustainable competitive advantage. The managers insisted that the emerging electronic operations be fully prepared to cope with the expected volume of website activity and the demand for products.

Think Critically

1. Do you think it was ethical for the managers of Pinnacle PLC to move primary operations to Hong Kong to avoid unionization efforts? Why or why not?
2. What suggestions would you offer to managers of Pinnacle PLC to improve the transition plans?

Checkpoint

What are four methods that have been used by management to discourage unionization or influence collective bargaining?
REVIEW GLOBAL BUSINESS TERMS

Define each of the following terms.

1. union representation election  
2. union shop  
3. closed shop  
4. open shop  
5. grievance procedure  
6. arbitrator  
7. strike  
8. lockout

REVIEW GLOBAL BUSINESS CONCEPTS

9. What is the process for forming a union in a workplace?  
10. What are the reasons for the decline in strike activity?  
11. Why is there a trend toward cooperation between employers and unions?

SOLVE GLOBAL BUSINESS PROBLEMS

You are a union organizer trying to persuade the overseas employees of a computer manufacturer to form a union. Because the pay, working conditions, and vacation policy at the plant are well below those at the unionized U.S. plant, you think you can succeed.

12. The overseas employees do seem somewhat dissatisfied. How would you approach them?  
13. What would be your top priority that would most benefit these employees in a developing country?  
14. How would you respond if the company promises all of its employees a 30 percent raise if they reject the union? Why?

THINK CRITICALLY

15. What reasons might an employer use to persuade workers not to support a union in a representation election?  
16. Why do you think other developed countries have a greater percentage of workers who are union members than the United States does?  
17. What does an employer gain by having unionized workers?

MAKE CONNECTIONS

18. TECHNOLOGY How might technology be used to help persuade employees to form a union?  
19. CULTURAL STUDIES What aspects of the mainstream U.S. culture discourage union membership?  
20. LAW Why do you think closed shops are rare in the United States?  
21. TECHNOLOGY Use the Internet to locate resources that unions have available online.
Chapter 13 ASSESSMENT

CHAPTER SUMMARY

13-1 MILESTONES OF THE LABOR MOVEMENT

A Labor unions arose out of the harsh working conditions of the Industrial Revolution to improve members' working conditions, wages, and benefits.

B The AFL and CIO merged to form the largest U.S. organization of unions, the AFL-CIO. Its size and resources make it very powerful.

C Unions in various countries have difficulty cooperating because of differences of opinion, the influence of government and legislation, and the level of economic development.

D Membership in unions is declining in most developed countries because of the increase in service industries versus manufacturing industries and government legislation that is favorable to labor.

13-2 UNIONS IN THE WORKPLACE TODAY

A A workplace becomes unionized when a union wins a representation election.

B Most collective bargaining contracts include a grievance procedure. An arbitrator may be brought in to settle a dispute. A union may use the power of a strike to persuade a company to meet its demands.

C Employers may reduce unionization by offering attractive wages, benefits, and conditions so there is no need for a union. An employer may also illegally discipline or threaten union sympathizers, prolong collective bargaining sessions to discredit a union, or engage in a lockout.

D Unions and employers frequently cooperate as allies today. Unions recognize that a profitable company can afford to offer better wages and conditions, while companies recognize that a satisfied workforce can increase productivity and company success.

GLOBAL REFOCUS

Read the case at the beginning of this chapter, and answer the following questions.

1. What caused the Polish workers to organize and strike?

2. What actions can workers take when they believe their economic and political rights have been violated?
REVIEW GLOBAL BUSINESS TERMS

Match the terms listed with the definitions.

1. An unbiased third party called in to resolve problems whose decision is usually final and binding.
2. A procedure held to find out if the workers in a workplace really want to become union members.
3. A court order that immediately stops a party from carrying out a specific action.
4. A workplace in which workers may choose to join a union or not.
5. A policy of having union members serve on the boards of directors.
6. The steps that must be followed to resolve a complaint by an employee, the union, or the employer.
7. An organization of workers whose goal is improving members’ working conditions, wages, and benefits.
8. A workplace in which workers are required to join a union before they are hired.
10. A refusal by employees to work in order to force an employer to agree to certain demands.
11. A workplace in which all workers must pay either union dues or a fee.
12. The closing down of a workplace by an employer to force a union to agree to certain demands.
13. The organization of American unions that uses its size and resources to influence legislation that affects its members.

MAKE GLOBAL BUSINESS DECISIONS

14. Identify and contact a union member. Develop a list of questions to ask the person. In your interview, you may wish to ask how the person feels about the union and how the union affects his or her job and workplace.

15. Collect advertisements, pictures, articles, and other information used by unions to persuade consumers to buy union-made products or patronize unionized businesses. What reasons do the advertisements give for supporting those products and businesses? How persuasive are the advertisements? Why?
16. Conduct library research about antiunion activities in the United States in the nineteenth and early twentieth centuries. Develop a list of the most common types of such activities. How do you think these activities affected the development of unions later in the twentieth century?

17. Create, administer, and summarize the findings from a five to ten question survey that determines the attitudes of classmates toward unions.

18. Obtain information about the history of strikes in the United States as well as in other countries for an industry of your choice. Try to explain the differences in strike rates among the countries.

19. Communicate with a union in your community to obtain a copy of a collective bargaining agreement. Review the agreement, and find out how the contract deals with grievances, union dues, seniority, leaves, and strikes. Summarize the information for your class.

20. List reasons why workers in banking, financial services, and real estate are less likely to join a union. What do you think a union could offer that would attract these workers to join?

GLOBAL CONNECTIONS

21. MATHEMATICS Create a graph that conveys the data in Figure 13-1.

22. TECHNOLOGY Visit the web site of the AFL-CIO (www.aflcio.org), and read about one of the issues presented at the site. Summarize the issue in a short paper.

23. CULTURAL STUDIES Research Islamic law to find out what effect, if any, its provisions have on employees. Share your findings with your classmates.

24. COMMUNICATIONS Find out how the International Labor Organization, a United Nations agency, communicates with countries around the world to improve the working conditions of laborers.

25. COMMUNICATIONS If you want to persuade employees in a high-context culture to unionize, would print or verbal communication be more effective? Why?

26. HISTORY Why did a number of early U.S. unions disappear by the beginning of the twentieth century?

27. HISTORY Research the contributions of a nationally prominent union leader in a country of your choice, and prepare a related oral report.

28. CAREER PLANNING Research the role of unions in a country where you might like to work in the future, and write a summary report.

29. HISTORY Use the Internet to identify important events in the history of a labor union or the labor movement.

30. LAW Use the Internet to find more information on a law that affects labor unions.

31. TECHNOLOGY Use the Internet to identify one recent union representation election, the issues in the election and the final outcome.
LABOR-MANAGEMENT RELATIONS

Develop a labor relations plan based on the company and country you have been using in this continuing project, or create a labor plan for a different business or a different country. Make use of previously collected information, and do additional research. This phase of your business plan should include the following components.

1. What is the role of organized labor (unions) in the country?
2. What laws exist to protect workers?
3. What actions are commonly taken by workers to protect their rights?
4. What types of employment positions will be available as a result of your business idea? What are the average wage rates and salary levels for these jobs in that country?
5. What benefits are available to workers in the country?
6. What other issues are of concern to workers in this country?

Prepare a written summary or present a short oral report (two or three minutes) of your findings.
Manage International Business Operations

Planning, organizing, implementing, and controlling are every manager’s responsibilities. While these tasks may seem similar around the world, various social and cultural factors affect them. Participating in a cross-cultural team allows managers to better understand and work with people of differing values and beliefs.

GOAL
To determine the influence of culture on management activities in various regions of the world.

ACTIVITIES
Working in teams, select a geographic region you will represent—Africa, Asia, Europe, Latin America, Middle East, or North America.

1. Information about management activities in various regions may be obtained on the Web, in the library, and by talking to people who have lived in or visited those areas. Your findings will be applied to various duties of managers.

2. Summarize how organizational decisions are commonly made in your region. Are business actions based on the decisions of people at the top of the organization? Or are plans the result of participation by people at various levels in the organization?

3. Explain the process commonly used to select employees. Are family members or friends given preference over others in the hiring process?

4. Research the educational systems and career paths taken by people in various countries in your region. What factors influence a person’s choice of training and employment in this region of the world?

5. Describe the activities of organized labor in your region. How influential are labor unions in various countries in this geographic area?

6. Global Business Decision An international company needs you to create a promotion policy. Decide if managers for offices around the world should be (a) from the home country of the company, (b) from the country where the office is located, or (c) a qualified person from anywhere in the world. Explain which of these choices your team would select.

TEAM SKILL
Traits of Cross-Cultural Team Members
Desired characteristics of team members vary from region to region. Discuss with your team the traits that might be preferred in each geographic area. How do the desired traits differ from one region to another?

PRESENT
• Prepare a 2- or 3-page summary report of management activities in your geographic region.
• As a team, develop a script and present an in-class dramatization of the management differences in various regions of the world.
MANAGING IN A GLOBAL ENVIRONMENT

Marketing Management Role Play

You are the business administrator of a large U.S. hospital. Technology has improved maintaining files for the thousands of patients who have used your hospital. Your position requires you to make decisions that improve the profitability of the hospital. Record keeping has become increasingly expensive in the United States, making it attractive to look at less expensive international markets for outsourcing the job. Outsourcing involves hiring an independent contractor to perform a business function for a company. India has quickly risen as a leader in technology input and record keeping. Wages for technological record keeping in India are much more reasonable than comparative wages in the U.S. You have been asked to present to the hospital board of directors the pros and cons of outsourcing record keeping to companies in India. You are also asked to make a proposal to keep the record keeping in the U.S. or to outsource it to companies in India.

You have ten minutes to come up with a successful strategy concerning outsourcing. You will be presenting your case to the hospital board of directors. You must decide whether to keep jobs in the U.S. or continue to outsourcing to India. You have five minutes to state your case to the hospital board.

PERFORMANCE INDICATORS EVALUATED
■ Understand the implications that outsourcing to international companies has on the U.S. workforce.
■ Determine strategies for the best financial gains.
■ Explain the role of American workers when jobs are outsourced to other countries.
■ Describe the pros and cons of outsourcing work to companies in other countries.

For more detailed information about performance indicators, go to the DECA website.

THINK CRITICALLY
1. What is the greatest advantage of outsourcing jobs to companies in India?
2. Why will Americans be concerned about outsourcing of jobs?
3. What political concerns may influence the international outsourcing decision?
4. Carefully outline your management decision for the hospital keeping profit as a high priority.
UNIT 4

INFORMATION AND PRODUCTION SYSTEMS FOR GLOBAL BUSINESS

CHAPTER 14 Information Needs for Global Business Activities

CHAPTER 15 Production Systems for Global Business
Francis Thuo is a successful businessperson, a member of the Lions Club, and active in the Nairobi Stock Exchange. The view from his office in the International House includes the Hilton Hotel; the Parliament building; and the vast plains in the distance that are home to Kenya's antelope, zebra, and giraffe.

Thuo's view is symbolic of Africa's diverse cultural landscape, which includes modern urban traffic jams as well as nomadic cattle herders. African ethnic groups include Blacks, Arabs, Indians, Asians, Whites, and others. More than 1,000 languages are spoken, and an uncounted number of religions are practiced.
Geography

Africa is almost four times the size of the United States. The continent includes the great highlands in Kenya and Ethiopia and the Great Rift Valley. There are mountains in the north and southeast of Africa. However, the largest mountains stand in the east and are snowcapped—on the equator. Kilimanjaro is the tallest at 19,340 feet.

Much of the interior of Africa is a plateau consisting of rolling hills, deserts, savannas, and rain forests. The Nile, which is the longest river in the world, is in East Africa. The Sahara (Arabic word for desert) covers one-fourth of the African continent. The Sahara was once a fertile land that supported a thriving population. However, about 4,000 B.C. the climate changed the Sahara region into a desert. Overfarming, overgrazing, and drought causes the Sahara to expand every year.

Early Civilizations

The earliest African civilizations grew along the Nile River and the Red Sea. At this location, there were Egyptian kingdoms built that date back to 3,100 B.C. To the west, the kingdoms of Ghana and Mali ruled vast territories of sub-Saharan Africa from the fourth to sixteenth centuries A.D. Ghana’s position—midway between the salt mines of north Africa and the gold deposits to the south—ensured its hold on a trading empire that spread over 200,000 square miles. Caravans from North Africa carried salt, metal goods, and cloth across the Sahara to Ghana in return for gold, farm produce, and kola nuts from the south.

By the thirteenth century, the kingdom of Mali had taken control of Ghana’s empire and expanded it over an even wider area. Mali’s city of Timbuktu was a center of learning that attracted scholars from Cairo and Mecca.

European Control

In the 1500s, European immigrants began to arrive, and traders were interested in Africa’s gold, diamonds, ivory, and other natural resources. Empires, kingdoms, and tribes continued to rule Africa until the late 1800s. However, the opening of the Suez Canal in 1869 brought a new wave of immigrants. In 1885, fourteen nations agreed to partition the “prize,” the land of Africa, and take it away from the native inhabitants. By 1914, France had conquered most of North and West Africa. Britain took control of Egypt and, along with the Germans and the Italians, most of East Africa.

The southern part of the continent was divided among Britain, Portugal, and Germany. King Leopold II of Belgium took the Congo in central Africa as his own private colony. The people became his slaves and through execution and torture, thousands were killed. In 1902, the British defeated the Dutch settlers (Afrikaners) in southern Africa. In 1910, the British created the Union of South Africa, which excluded nonwhites from the political process. Ethiopia and Liberia were the only African nations to retain their independence.
Freedom
Nationalist movements began to appear throughout the continent between the world wars. However, independence for most African nations was not achieved until the late 1950s and early 1960s. A few European nations relinquished control after mass protests and labor strikes. Unfortunately, prolonged guerrilla warfare was usually the real force of liberation in countries such as Algeria, Angola, Mozambique, Guinea-Bissau, Kenya, and Namibia.

Today greater mobility has led many to leave the home village, but family and tribal identity thrive. Independence fostered a renewed sense of pride in African culture. Children are taught tribal and family history.

Religion and Art
Islam has flourished, especially in the north, while European and American churches and schools continue to promote Christianity. Ancient tribal religions are still important, and often they are combined with Christianity. The indigenous African religions believe in one ultimate God along with lesser gods or ancestral spirits who act as intermediaries between God and mortals. This religious system is known as polytheism.

African arts are often associated with religion. Music, stories, dance, and carved wooden masks have integral roles in ceremonies that connect humans to their ancestors and the spiritual world. Art also entertains, educates, and stimulates thought. African music is unique for its polyrhythmic structure, with as many as a dozen rhythms all played simultaneously. European painters have been influenced by African artists’ expression of the essence of a human or animal subject through sharp angles and exaggerated features. African designs have found their way onto clothing made throughout the world.

The African landscape has often inspired the artist. However, it is a harsh land that, at times, punishes its people. During the 1980s and 1990s, the combination of poor soil, drought, and wars led to the starvation of millions of people in Chad, Ethiopia, Liberia, Mozambique, Sierra Leone, Somalia, Sudan and the Democratic Republic of the Congo (formerly Zaire). The suffering in Ethiopia resulted in the 1985 famine relief concert Live Aid, which raised funds for food for the hungry. In 1992, images of suffering on Western television helped to pressure the United States into sending a military force to protect relief workers in Somalia.

Apartheid
South Africa’s white minority used a government policy called apartheid to segregate and to discriminate politically and economically against non-European groups—which included Blacks, Indians, and people of mixed race. However, in 1990, after economic isolation from most of the world, President de Klerk began changing the system of white minority rule when he released Nelson Mandela from prison and lifted the ban on the African National Congress. In 1994, Nelson Mandela was elected president in a peaceful election.

Impediments to Economic Progress
Civil wars, military revolts, and political instability have prevented many African nations from making economic and social progress. Authoritarian systems are more
common than democratic institutions; however, peaceful transfers of power have taken place in Botswana, Cameroon, Kenya, Senegal, and Tanzania. During the 1980s, the African elephant became an endangered species when its population was cut in half as a result of poaching. In 1989, 112 nations agreed on a ban in ivory trade, and some countries began removing tusks to protect the animals. The program was successful, and by 1993, Botswana, Malawi, Namibia, South Africa, and Zimbabwe wanted to restore the trade on a limited basis.

Think Critically
1. Do you think it was a good idea to send soldiers to Somalia to protect relief workers in 1992?
2. Use the library or do Internet research to determine the leadership situation in South African today.
3. Do you think the ivory trade should be resumed? Should African nations be able to do as they wish with their elephants?

COUNTRY PROFILE/AFRICA

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
<th>GDP growth rate</th>
<th>Exports</th>
<th>Imports</th>
<th>Monetary Unit</th>
<th>Inflation</th>
<th>Unemployment rate</th>
<th>Life Expectancy</th>
<th>Literacy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>31,800</td>
<td>1.67</td>
<td>177</td>
<td>5,600</td>
<td>Algerian Dinar</td>
<td>3</td>
<td>31</td>
<td>70.54</td>
<td>70</td>
</tr>
<tr>
<td>Angola</td>
<td>13,625</td>
<td>3.2</td>
<td>13.3</td>
<td>1,330</td>
<td>Kwanza</td>
<td>106</td>
<td>more than half</td>
<td>36.96</td>
<td>42</td>
</tr>
<tr>
<td>Benin</td>
<td>6,736</td>
<td>2.65</td>
<td>6.8</td>
<td>1,040</td>
<td>Pula</td>
<td>8.1</td>
<td>40</td>
<td>51.08</td>
<td>40.9</td>
</tr>
<tr>
<td>Botswana</td>
<td>1,785</td>
<td>0.85</td>
<td>12.4</td>
<td>7,800</td>
<td>Pula</td>
<td>8.1</td>
<td>40</td>
<td>51.08</td>
<td>40.9</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>13,002</td>
<td>2.95</td>
<td>12.8</td>
<td>1,040</td>
<td>Pula</td>
<td>8.1</td>
<td>40</td>
<td>51.08</td>
<td>40.9</td>
</tr>
<tr>
<td>Burundi</td>
<td>6,825</td>
<td>3.1</td>
<td>3.7</td>
<td>600</td>
<td>Burundi Franc</td>
<td>3.5</td>
<td>NA</td>
<td>44.66</td>
<td>26.8</td>
</tr>
<tr>
<td>Cameroon</td>
<td>16,018</td>
<td>1.83</td>
<td>26.4</td>
<td>1,700</td>
<td>Burundi Franc</td>
<td>3.5</td>
<td>30</td>
<td>48.05</td>
<td>79</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>463</td>
<td>2.01</td>
<td>0.6</td>
<td>1,700</td>
<td>Cape Verdean escudo</td>
<td>3</td>
<td>21</td>
<td>69.83</td>
<td>76.6</td>
</tr>
<tr>
<td>Central African Republic</td>
<td>3,865</td>
<td>1.29</td>
<td>4.6</td>
<td>1,300</td>
<td>*</td>
<td>3.6</td>
<td>8</td>
<td>41.71</td>
<td>51</td>
</tr>
<tr>
<td>Chad</td>
<td>8,598</td>
<td>2.96</td>
<td>8.9</td>
<td>1,030</td>
<td>*</td>
<td>3.6</td>
<td>8</td>
<td>41.71</td>
<td>51</td>
</tr>
<tr>
<td>Comoros</td>
<td>768</td>
<td>2.83</td>
<td>0.242</td>
<td>710</td>
<td>Comoran Franc</td>
<td>3.5</td>
<td>20</td>
<td>61.18</td>
<td>56.5</td>
</tr>
<tr>
<td>Country</td>
<td>Population thousands</td>
<td>GDP $billions</td>
<td>Exports $ per capita</td>
<td>Imports $billions</td>
<td>Monetary Unit</td>
<td>Inflation percent</td>
<td>Unemployment percent</td>
<td>Life Expectancy years</td>
<td>Literacy Rate percent</td>
</tr>
<tr>
<td>-------------------------</td>
<td>----------------------</td>
<td>---------------</td>
<td>----------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td>----------------------</td>
<td>------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Democratic Republic of the Congo</td>
<td>55,042</td>
<td>32</td>
<td>590</td>
<td>0.75</td>
<td>Congolese Franc</td>
<td>16</td>
<td>4</td>
<td>NA</td>
<td>48.93</td>
</tr>
<tr>
<td>Republic of the Congo</td>
<td>2,908</td>
<td>2.5</td>
<td>900</td>
<td>1.74</td>
<td></td>
<td>26</td>
<td>13</td>
<td>30</td>
<td>39.06</td>
</tr>
<tr>
<td>Côte d’Ivoire</td>
<td>16,631</td>
<td>25.5</td>
<td>1,550</td>
<td>3.95</td>
<td></td>
<td>28</td>
<td>19</td>
<td>27</td>
<td>32.82</td>
</tr>
<tr>
<td>Djibouti</td>
<td>703</td>
<td>0.586</td>
<td>1,400</td>
<td>0.034</td>
<td>Djiboutian Franc</td>
<td>3.2</td>
<td>6</td>
<td>10</td>
<td>53.18</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>498</td>
<td>1.04</td>
<td>2,100</td>
<td>0.175</td>
<td></td>
<td>4</td>
<td>10</td>
<td>30</td>
<td>51.8</td>
</tr>
<tr>
<td>Eritrea</td>
<td>4,141</td>
<td>3.2</td>
<td>740</td>
<td>0.035</td>
<td>Nafka</td>
<td>9</td>
<td>6</td>
<td>10</td>
<td>51.45</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>70,678</td>
<td>2.46</td>
<td>46</td>
<td>0.433</td>
<td>Birr</td>
<td>4</td>
<td>21</td>
<td>37</td>
<td>48.24</td>
</tr>
<tr>
<td>Gabon</td>
<td>1,329</td>
<td>6.7</td>
<td>5,500</td>
<td>2.5</td>
<td></td>
<td>23</td>
<td>21</td>
<td>30</td>
<td>57.12</td>
</tr>
<tr>
<td>Gambia, The</td>
<td>1,426</td>
<td>2.5</td>
<td>1,770</td>
<td>0.12</td>
<td>Dalasi</td>
<td>5.5</td>
<td>5</td>
<td>10</td>
<td>54.38</td>
</tr>
<tr>
<td>Ghana</td>
<td>20,922</td>
<td>39.4</td>
<td>1,980</td>
<td>1.9</td>
<td>New Cedi</td>
<td>14.5</td>
<td>20</td>
<td>30</td>
<td>56.53</td>
</tr>
<tr>
<td>Guinea</td>
<td>8,480</td>
<td>1.59</td>
<td>1,970</td>
<td>0.731</td>
<td>Guinean Franc</td>
<td>6</td>
<td>NA</td>
<td>49.54</td>
<td>35.9</td>
</tr>
<tr>
<td>Guinea-Bissau</td>
<td>493</td>
<td>1.2</td>
<td>900</td>
<td>0.049</td>
<td></td>
<td>4</td>
<td>21</td>
<td>46.97</td>
<td>42.4</td>
</tr>
<tr>
<td>Kenya</td>
<td>31,187</td>
<td>31</td>
<td>1,000</td>
<td>1.89</td>
<td>Kenyan Shilling</td>
<td>1.9</td>
<td>40</td>
<td>37.2</td>
<td>37.3</td>
</tr>
<tr>
<td>Lesotho</td>
<td>1,802</td>
<td>0.53</td>
<td>2,450</td>
<td>0.279</td>
<td>Loti</td>
<td>10</td>
<td>30</td>
<td>34.3</td>
<td>70.04</td>
</tr>
<tr>
<td>Liberia</td>
<td>3,367</td>
<td>3.6</td>
<td>1,100</td>
<td>0.055</td>
<td>Liberian Dollar</td>
<td>15</td>
<td>NA</td>
<td>48.15</td>
<td>57.5</td>
</tr>
<tr>
<td>Libya</td>
<td>5,551</td>
<td>40</td>
<td>7,600</td>
<td>6.76</td>
<td>Libyan Dinar</td>
<td>1</td>
<td>30</td>
<td>76.07</td>
<td>82.6</td>
</tr>
<tr>
<td>Madagascar</td>
<td>17,404</td>
<td>14</td>
<td>870</td>
<td>0.068</td>
<td>Malagasy Franc</td>
<td>7</td>
<td>5.9</td>
<td>56.14</td>
<td>68.9</td>
</tr>
<tr>
<td>Malawi</td>
<td>12,105</td>
<td>7</td>
<td>660</td>
<td>0.363</td>
<td>Malawian Kwacha</td>
<td>27.4</td>
<td>NA</td>
<td>37.98</td>
<td>62.7</td>
</tr>
<tr>
<td>Mali</td>
<td>13,007</td>
<td>3</td>
<td>840</td>
<td>0.562</td>
<td></td>
<td>4.5</td>
<td>14</td>
<td>45.43</td>
<td>46.4</td>
</tr>
<tr>
<td>Mauritania</td>
<td>2,893</td>
<td>5</td>
<td>1,800</td>
<td>0.395</td>
<td>Ouuguya</td>
<td>3</td>
<td>21</td>
<td>51.93</td>
<td>41.7</td>
</tr>
<tr>
<td>Mauritius</td>
<td>1,221</td>
<td>12.9</td>
<td>10,800</td>
<td>1.56</td>
<td>Mauritian Rupee</td>
<td>6.4</td>
<td>8.8</td>
<td>71.8</td>
<td>85.6</td>
</tr>
<tr>
<td>Morocco</td>
<td>30,566</td>
<td>112</td>
<td>3,700</td>
<td>7.1</td>
<td>Moroccan Dirham</td>
<td>3.6</td>
<td>19</td>
<td>70.04</td>
<td>51.7</td>
</tr>
<tr>
<td>Mozambique</td>
<td>18,863</td>
<td>17.5</td>
<td>900</td>
<td>1.71</td>
<td>Metical</td>
<td>15.2</td>
<td>21</td>
<td>31.3</td>
<td>47.8</td>
</tr>
<tr>
<td>Namibia</td>
<td>1,987</td>
<td>8.1</td>
<td>4,500</td>
<td>1.28</td>
<td>Namibian Dollar</td>
<td>8</td>
<td>35</td>
<td>42.77</td>
<td>84</td>
</tr>
<tr>
<td>Niger</td>
<td>11,972</td>
<td>8.4</td>
<td>820</td>
<td>0.288</td>
<td></td>
<td>3</td>
<td>NA</td>
<td>42.21</td>
<td>17.6</td>
</tr>
<tr>
<td>Nigeria</td>
<td>124,009</td>
<td>105.9</td>
<td>840</td>
<td>12.9</td>
<td>Naira</td>
<td>14.2</td>
<td>28</td>
<td>51.01</td>
<td>68</td>
</tr>
<tr>
<td>Rwanda</td>
<td>8,387</td>
<td>7.2</td>
<td>1,000</td>
<td>0.093</td>
<td>Rwandan Franc</td>
<td>5.5</td>
<td>NA</td>
<td>39.33</td>
<td>70.4</td>
</tr>
<tr>
<td>Senegal</td>
<td>10,955</td>
<td>16.2</td>
<td>1,580</td>
<td>1.03</td>
<td></td>
<td>3</td>
<td>48</td>
<td>56.37</td>
<td>40.2</td>
</tr>
<tr>
<td>Seychelles</td>
<td>80</td>
<td>0.605</td>
<td>7,600</td>
<td>0.215</td>
<td>Seychelles Rupee</td>
<td>0.5</td>
<td>NA</td>
<td>71.25</td>
<td>58</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>4,971</td>
<td>3.8</td>
<td>500</td>
<td>0.042</td>
<td>Leone</td>
<td>1</td>
<td>NA</td>
<td>42.84</td>
<td>31.4</td>
</tr>
<tr>
<td>Somalia</td>
<td>9,890</td>
<td>4.1</td>
<td>550</td>
<td>0.186</td>
<td>Somali Shilling</td>
<td>NA</td>
<td>NA</td>
<td>47.34</td>
<td>37.8</td>
</tr>
<tr>
<td>South Africa</td>
<td>45,026</td>
<td>0.59</td>
<td>412</td>
<td>31</td>
<td>Rand</td>
<td>9.9</td>
<td>37</td>
<td>46.56</td>
<td>86.4</td>
</tr>
<tr>
<td>Sudan</td>
<td>33,610</td>
<td>49.3</td>
<td>1,360</td>
<td>1.7</td>
<td>Sudanese Dinar</td>
<td>9.2</td>
<td>18.7</td>
<td>57.73</td>
<td>61.1</td>
</tr>
<tr>
<td>Swaziland</td>
<td>1,077</td>
<td>4.6</td>
<td>4,200</td>
<td>0.809</td>
<td>Liliangeni</td>
<td>11.8</td>
<td>34</td>
<td>39.47</td>
<td>81.6</td>
</tr>
<tr>
<td>Tanzania</td>
<td>36,977</td>
<td>1.4</td>
<td>221</td>
<td>0.666</td>
<td>Tanzanian Shilling</td>
<td>4.8</td>
<td>NA</td>
<td>44.56</td>
<td>78.2</td>
</tr>
<tr>
<td>Togo</td>
<td>4,309</td>
<td>2.34</td>
<td>1,500</td>
<td>0.362</td>
<td></td>
<td>4</td>
<td>NA</td>
<td>53.43</td>
<td>60.9</td>
</tr>
<tr>
<td>Tunisia</td>
<td>9,832</td>
<td>64.5</td>
<td>6,600</td>
<td>6.61</td>
<td>Tunisian Dinar</td>
<td>2.5</td>
<td>15.4</td>
<td>74.4</td>
<td>74.4</td>
</tr>
<tr>
<td>Uganda</td>
<td>25,827</td>
<td>9.5</td>
<td>1,200</td>
<td>0.452</td>
<td>Ugandan Shilling</td>
<td>0.1</td>
<td>NA</td>
<td>44.88</td>
<td>69.9</td>
</tr>
<tr>
<td>Zambia</td>
<td>10,812</td>
<td>8.5</td>
<td>870</td>
<td>0.757</td>
<td>Zambian Kwacha Dollar</td>
<td>2.1</td>
<td>50</td>
<td>35.25</td>
<td>80.6</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>12,891</td>
<td>28</td>
<td>2,450</td>
<td>1.96</td>
<td>Zimbabwean Dollar</td>
<td>134.5</td>
<td>70</td>
<td>39.01</td>
<td>90.7</td>
</tr>
</tbody>
</table>

* Communaute Financiere Africaine Franc (CFAF)