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Carbon Fuel Co. V. UMWA, 444 U.S. 212 (1979)

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Labor Law—INTERNATIONAL UNIONS ARE NOT LIABLE FOR WILDCAT STRIKES UNAUTHORIZED BY THE INTERNATIONAL AND INITIATED BY UNION MEMBERS IN VIOLATION OF COLLECTIVE BARGAINING AGREEMENTS TO WHICH THE INTERNATIONAL IS A PARTY—*Carbon Fuel Co. v. UMWA*, 444 U.S. 212 (1979).

The United Mine Workers of America (UMWA), which negotiates collective bargaining agreements in the coal producing industry, is a three-tiered organization consisting of local unions, district unions, and the international.[1] The district and the local unions manage the day-to-day affairs of union members and fulfill the duty of resolving grievances which arise in the context of collective bargaining relationships.[2] The international relies upon the district union to inform its members that "wildcat" strikes[3] are unlawful and detrimental to the union, the company, and the public.

The Carbon Fuel Company (Carbon Fuel), a West Virginia coal company, operates approximately 15 mines in West Virginia. Between 1969 and 1973, Carbon Fuel's mines were the site of forty-eight "wildcat" strikes initiated by members of three of the UMWA's local unions. The strikes violated the 1968 and 1971 National Bituminous Wage Coal Agreements to which Carbon Fuel and the UMWA were parties. The forty-eight work stoppages at Carbon Fuel's mines were not authorized, condoned or in any way supported by the international.[4] The trial court record revealed that District 17, a regional subdivision of the UMWA which represented employees at Carbon Fuel's mines, was able to halt a majority of the strikes within two to four days after their commencement.[5]

Relying on section 301 of the National Labor Relations Act (NLRA), as amended, commonly known as the Taft-Hartley Act,[6]

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1. For a description of the union's structure and function, see Hodgson v. UMWA, 344 F. Supp. 17, 20-21 (D.D.C. 1972).

2. Brief for Respondents at 3-4, Carbon Fuel Co. v. UMWA, 444 U.S. 212 (1979).

3. Wildcat strikes are generally characterized as work stoppages, organized by a minority of union members whose activity is not authorized by the union.

4. Carbon Fuel Co. v. UMWA, 444 U.S. 212, 213 (1979).

5. Brief for Respondents at 4-5, Carbon Fuel Co. v. UMWA, 444 U.S. 212 (1979).

6. 29 U.S.C. § 185 (1976). That section, in pertinent part, provides:

> § 185. Suits by and against labor organizations
>
> (a) Venue, amount, and citizenship
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> Suits for violation of contract between an employer and a labor organization representing employees in an industry affecting commerce as defined in this chapter, or between any such labor organizations, may be brought in any district court of the United States having jurisdiction of the parties, without respect to the amount in controversy or without regard to the citizenship of the parties.
>
> (b) Responsibility for acts of agent; entity for purpose of suit; enforcement of

Carbon Fuel filed a breach of contract action in the United States District Court for the Southern District of West Virginia, seeking injunctive relief and damages. The UMWA, District 17, and three local unions were named as defendants.[7] Carbon Fuel contended that the "wildcat" strikes breached the 1968 and 1971 collective bargaining agreements.[8] The district court determined as a matter of law that the strikes did violate those agreements, and therefore instructed the jury that the UMWA and District 17 could be found liable for damages if it determined from a preponderance of the evidence that the defendants did not use all reasonable means to prevent and terminate the work stoppages or strikes undertaken in violation of the collective bargaining agreement.[9] Jury verdicts were returned against all five defendants. Each defendant appealed to the United States Court of Appeals for the Fourth Circuit.[10] Consistent with its earlier decision in *United Construction Workers v. Haislip Baking Co.*,[11] the Fourth Circuit vacated only the judgments against the UMWA and District 17, and remanded the case to the district court with directions to dismiss those claims.[12] The Fourth Circuit noted[13] that its holding was in accord with the weight of authority, yet at variance with the Third Circuit decision in *Eazor Express, Inc. v. International Brotherhood of Team-*

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money judgments

Any labor organization which represents employees in an industry affecting commerce as defined in this chapter and any employer whose activities affect commerce as defined in this chapter shall be bound by the acts of its agents. Any such labor organization may sue or be sued as an entity and in behalf of the employees whom it represents in the courts of the United States. Any money judgment against a labor organization in a district court of the United States shall be enforceable only against the organization as an entity and against its assets, and shall not be enforceable against any individual member or his assets.

. . . .

(e) Determination of question of agency

For the purposes of this section, in determining whether any person is acting as an "agent" of another person so as to make such other person responsible for his acts, the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controlling.

29 U.S.C. § 185 (a), (b), (e) (1976).

7. Carbon Fuel Co. v. UMWA, 444 U.S. 212, 213 (1979).

8. *Id.*

9. *Id.*

10. *Id.* at 215.

11. 223 F.2d 872 (4th Cir.), *cert. denied*, 350 U.S. 847 (1955).

12. Carbon Fuel Co. v. UMWA, 582 F.2d 1346, 1351 (4th Cir.), *aff'd*, 444 U.S. 212 (1979). The court also vacated in part the judgments against the local unions, none of which sought review by the Supreme Court. Carbon Fuel Co. v. UMWA, 444 U.S. 212, 215 n.3 (1979).

13. 582 F.2d 1346, 1350 (4th Cir.), *aff'd*, 444 U.S. 212 (1979).

sters.[14]

To resolve the conflict created by the *Haislip* and *Eazor* decisions, the United States Supreme Court granted certiorari in *Carbon Fuel Co. v. UMWA*[15] and unanimously affirmed the Fourth Circuit's judgment. The Court held that, under section 301 of the Taft-Hartley Act, the provisions of the collective bargaining agreements did not impose liability upon the UMWA and District 17 for their failure to use all reasonable means to prevent or halt "wildcat" strikes engaged in by subordinate local unions.[16]

The initial question discussed by the Court was whether section 301 of the Taft-Hartley Act mandated the finding that the inclusion of an arbitration clause in the collective bargaining agreements imposed upon the international an implied obligation to use all reasonable means to halt the unauthorized strikes of its affiliated local unions.[17] The Supreme Court's analysis of the issue is premised on an examination of the history and congressional design underlying sections 301(a), (b) and (e).[18]

Following its long-standing construction of section 301(a), the Court confirmed the enforceability of the collective bargaining agreement under that section of the act.[19] In its discussion of the congressional intent subtending sections 301(b) and (e), the Court emphasized that Congress intentionally refrained from imposing liability upon a union for strikes that are not authorized, ratified, or supported by the union.[20] Congress enacted section 301(b) as a replacement for the virtually unrestricted enunciation of agency standards embodied in the 1935 version of the NLRA.[21] Section 2(2) of the 1935 act treated the term "employer" as the singular

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14. 520 F.2d 951 (3d Cir. 1975). *See generally* 84 HARV. L. REV. 601 (1976), for a discussion of *Eazor Express.*

15. 444 U.S. 212 (1979).

16. *Id.* at 221-22. *See also* NLRB v. International Longshoremen's Warehousemen's Union, 283 F.2d 558 (9th Cir. 1960). In that case, the Ninth Circuit held that the international was not liable for the acts of its local union. The opinion, however, provides examples of actual instances where international unions were held liable for the activities of their local unions. *Id.* at 563-67.

17. 444 U.S. at 216.

18. *Id.* at 216-17. *See* note 6 *supra.*

19. 444 U.S. at 216. The principle that § 301(a) renders collective bargaining agreements judicially enforceable against labor unions was forged in Textile Workers v. Lincoln Mills, 353 U.S. 448 (1957), which involved a suit brought by the union under § 301 to enforce an arbitration clause in accordance with the terms of the collective bargaining agreement. The Supreme Court held that § 301(a) provides the federal courts with the authority to enforce collective bargaining agreements on behalf of or against labor organizations. *Id.* at 450-51.

20. 444 U.S. at 216.

21. *Id.* at 217.

basis for determining liability and defined the term as "anyone acting in the interest of an employer, directly or indirectly."[22]

Section 301(b) of the Taft-Hartley Act, however, utilizes a more refined agency standard for determining liability. It is an adaptation of the common law doctrine of respondeat superior and provides that any labor organization which represents employees in an industry affecting commerce shall be bound by the acts of its agents.[23] Section 301(e) compliments section 301(b) by requiring that the determination of whether a person is acting as an agent of another will be controlled by the standard set forth in section 301(b), regardless of whether the person's acts were authorized.[24] Section 301(e), therefore, was designed to underscore the applicability of the general law of agency.

The Court emphasized that Congress's utilization of a common law agency test was not unheralded. Rather, the legislative application of the principle simply mirrored the position forged in *Coronado Coal Co. v. UMWA*.[25] *Coronado* involved a suit for damages suffered by the Coronado Coal Company as a result of an alleged conspiracy by a local union to restrain and prevent Coronado's interstate coal trade, in violation of sections one and two of the Sherman Anti-Trust Act.[26] The Court held that the evidence failed to reveal that the UMWA had initiated, participated in, or ratified any interference with the company's coal trade.[27] Justice Taft, writing for the majority, stated that an international union may be held liable for the illegal acts of its local unions only if it is established that the violative acts were committed by "agents of the international union in accordance with their fundamental agreement of association."[28]

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22. National Labor Relations Act, ch. 372, § 2(a), 1935 Stat. 450 (1935).

23. 444 U.S. at 217. Congress chose the common law doctrine of respondeat superior rather than the more limited measure of liability imposed by § 6 of the Norris-LaGuardia Act, 29 U.S.C. § 106 (1976). That section requires "clear proof of actual participation in, of actual authorization of such acts, or of ratification of such acts after actual knowledge thereof." *Id.* For a discussion of the Norris-LaGuardia Act standard for determining the liability of a union, see UMWA v. Gibbs, 383 U.S. 715, 735-42 (1966). *See, e.g.*, Riverside Coal Co. v. UMWA, 410 F.2d 267 (6th Cir.), *cert. denied*, 396 U.S. 846 (1969). *See generally* RESTATEMENT (SECOND) OF AGENCY § 8A (1957).

24. 29 U.S.C. § 185(e) (1976). *See* note 6 *supra*. "Person" is defined as "one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers." 29 U.S.C. § 152(1) (1976).

25. 268 U.S. 295 (1975).

26. *Id.* at 296.

27. *Id.* at 304.

28. *Id.* In UMWA v. Patton, 211 F.2d 742 (4th Cir. 1954), it is suggested that the *Coronado* standard is not that of ordinary agency. Any question, however, which may have

Accordingly, the Court in *Carbon Fuel* recognized that in order to effectuate section 301(a), congressional purpose dictated that sections 301(b) and (e) be concurrently implemented. In its rejection of Carbon Fuel's argument, the Court reasoned that a duty to use all reasonable efforts to end a "wildcat" strike should not be imposed upon an international unless such a duty is firmly grounded in the bargained for terms of the contract. A determination that the mere presence of an arbitration clause in a collective bargaining agreement creates a correlative duty to control conduct by a subordinate body would have conflicted with Congress's intent to subject unions to responsibility *only* in accordance with the common law rules of agency prescribed in sections 301(b) and (e).[29]

The second issue discussed in *Carbon Fuel* was whether the language of the collective bargaining agreement imposed liability upon the UMWA for its failure to halt the unauthorized actions of its local unions.[30] Carbon Fuel argued that the contract's provision which required the UMWA "to maintain the integrity of the contract," bound the international to an implied obligation to use all reasonable means to end unauthorized strikes.[31]

In approaching this question, the Court began with an examination of the policy concerns reflected in the Taft-Hartley Act. It was recognized that fundamental to the application of the act is the policy of free collective bargaining.[32] Congress' desire to achieve a free bargaining climate is reflected in section 8(d) of the NLRA, which defines "collective bargaining" as "not [to] compel either party to agree to a proposal or require the making of concession."[33] The spirit of this legislation is further embodied in *H.K. Porter Co. v. NLRB*,[34] in which the Supreme Court stated that "allowing the Board to compel agreement when the parties themselves are unable to agree would violate the fundamental premise on which the Act is based—private bargaining under governmental supervision of the procedure alone, without any official compulsion over the

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been raised in *Patton* regarding *Coronado's* standard of agency has been settled by the *Carbon Fuel* decision.

29. 444 U.S. at 217.

30. *Id.*

31. *Id.* The substance of the "integrity" clause was not discussed by the Court because the content of the clause did not support Carbon Fuel's cause of action. *Id.* at 216 n.5.

32. *Id.* at 218.

33. 29 U.S.C. § 158(d) (1976).

34. 397 U.S. 99 (1970). *Accord,* Howard Johnson Co. v. Detroit Local Joint Executive Bd., Hotel & Restaurant Employees Int'l Union, 417 U.S. 249 (1974); NLRB v. Burns Int'l Security Serv., Inc., 406 U.S. 272, 287 (1972).

actual terms of the contract."[35]

The Court in *Carbon Fuel* continued the analysis by recognizing that the terms and conditions of a collective bargaining agreement establish the tenor of the parties' relationship. In *United Steelworkers of America v. Warrior & Gulf Navigation Co.*,[36] which involved an action by the union to compel the employer to enter arbitration, the Supreme Court stated that arbitration is a matter of contract, hence a party cannot be forced to enter arbitration in any dispute to which he has not agreed to arbitrate. Parties to a collective bargaining agreement are bound to the terms of their contract and courts may not impose or create provisions which vary from the bargain struck by the parties.[37]

The Court then turned to an examination of the contractual provision upon which Carbon Fuel based its argument. The bargaining history of the 1968 and 1971 contracts disclosed that Carbon Fuel and the UMWA initially entered a collective bargaining agreement in 1941. The terms of the 1941 agreement contained a no-strike provision which expressly rendered the UMWA liable for breach of contract. The 1941 agreement was ultimately modified by the deletion of the no-strike clause and the language did not appear in the 1947 collective bargaining agreement. Instead, the parties decided that all grievances would be settled through arbitration or collective bargaining, and that the coverage of the contract was restricted to employees "able and willing to work."[38] A third contract was entered into in 1950, and the "able and willing to work" language was removed and replaced by the parties' commitment "to maintain the integrity of this contract and to exercise their best efforts through available disciplinary measures to prevent stoppages of work by strike or lockout pending adjustment or adjudication of disputes and grievances in the manner provided in this Agreement."[39] In 1952 the parties resumed negotiations. The UMWA, aware that the "best effort" provision subjected it to criticism or liability for its failure to discipline locals or members who engaged in unauthorized work stoppages, negotiated the deletion

35. 397 U.S. at 108.

36. 363 U.S. 574 (1960).

37. 444 U.S. at 219. *See* Howard Johnson Co. v. Detroit Local Joint Executive Bd., Hotel & Restaurant Employees Int'l Union, 417 U.S. 249, 254-55 (1974); NLRB v. Burns Int'l Security Serv., Inc., 406 U.S. 272, 287 (1972); H.K. Porter Co. v. NLRB, 397 U.S. 99, 104-06 (1970); NLRB v. Insurance Agents Int'l Union, 361 U.S. 477, 488 (1960); United Steelworkers of America v. American Mfg. Co., 363 U.S. 564, 576 (1960).

38. 444 U.S. at 219.

39. *Id.* at n.7.

of this language. In its stead, the 1952 contract contained the following provision:

> The United Mine Workers of America and the Operators agree and affirm that they *will maintain the integrity of this contract* and that all disputes and claims which are not settled by agreement shall be settled by the machinery provided in the "Settlement of Local and District Disputes" section of the Agreement unless national in character in which event the parties shall settle such disputes by free collective bargaining as heretofore practiced in the industry, it being the purpose of this provision to provide for the settlement of all such disputes and claims through the machinery in this contract provided and by collective bargaining without recourse to the courts.[40]

The 1952 provision survived through the years and was incorporated in the 1968 and 1971 contracts.[41] Accordingly, in the Court's appraisal of the "integrity" clause it was reasoned that the parties did not intend the deleted language of the contracts preceding 1952 to be subsumed in the 1968 and 1971 contracts. The Court determined that in light of its bargaining history, the "integrity" clause was not designed to function as an imposition of liability upon the UMWA for its failure to discipline or halt unauthorized strikes. It was recognized that judicial intervention in the form of a judicially enforceable obligation imposed upon the UMWA for its failure to act would be contrary to and violative of the free collective bargaining process.[42]

Similar interpretations of such bargaining history had been expressed in *Lewis v. Benedict Coal Corp.*[43] and in *United Construction Workers v. Haislip Baking Co.* The court reasoned that the *Lewis* and *Haislip* interpretations, which preceded the 1968 and 1971 contracts, provided Carbon Fuel with adequate notice of the courts' treatment of the "integrity" language. Hence, Carbon Fuel's failure to convey its desired interpretation during the contract negotiations functioned as tacit acceptance of the *Lewis* and *Haislip* understandings.[44]

The *Carbon Fuel* decision is significant because it imparts a

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40. *Id.* at 221-22 (emphasis added).

41. *Id.*

42. *Id.*

43. 259 F.2d 346 (6th Cir. 1958), *aff'd by an equally divided court*, 361 U.S. 459, 464 (1960).

44. 444 U.S. at 221-22.

clear definition to sections 301(b) and (e), and establishes that the bargaining history associated with a collective bargaining agreement will determine the role of an "integrity" clause. The *Carbon Fuel* holding finally resolved a moderately vexatious question which the Court left undisturbed in 1955 when it denied the writ of certiorari in *Haislip*.[45] In order to achieve a comprehensive perspective of the *Carbon Fuel* decision it is necessary to examine the factors which prompted the Court to discuss in 1979 that which it had refused to entertain in 1955.

In *Haislip*, the Haislip Baking Company sued the United Construction Workers and the UMWA under section 301 for damages resulting from a "wildcat" strike staged by union members in response to the discharge of two employees for unexcused absences.[46] Efforts by the regional director of the United Construction Workers and its field representative to reinstate the employees failed, and the strike continued, causing the financial collapse of the Haislip Baking Company.[47]

The Fourth Circuit recognized that even in the absence of an express no-strike clause, the basic purpose of the collective bargaining agreement was to resolve grievances in a cooperative fashion. Hence, the "wildcat" strike, which was employed as a primary method of recourse, violated the collective bargaining agreement. The court stated, however, that the internationals could not be held liable for the strike in breach of the collective bargaining agreement, unless the internationals' agents participated in, ratified, or encouraged continuance of the strike.[48]

The court concluded that the activity of the field representative and the regional director was not a manifestation of the internationals' involvement.[49] It was determined that the grievance involved only a local concern unrelated to the interests of the internationals and that the field officer and the regional director lacked the authority to adopt, participate in, or encourage the "wildcat" strike.[50] Accordingly, the court ruled that the internationals were absolved of any liability because the Haislip Baking Company had failed to prove the existence of an agency relationship between the internationals and the local unions which were

45. 350 U.S. 847 (1955).
46. 223 F.2d at 876, 879.
47. *Id.* at 874.
48. *Id.* at 874-75.
49. *Id.* at 878.
50. *Id.*

engaged in the unauthorized activity. The judgments against the UCW and the UMWA were reversed.[51]

The *Haislip* decision was reached in the context of scant case law. The holding represented one of the primary judicial interpretations of sections 301(b) and (e), and it established that Congress intended an international union to suffer imputed liability only when the local union acts as an agent of the international. The rationale of this decision has been shared by several courts of appeals.[52]

In 1956 the United States Court of Appeals for the Sixth Circuit, in *Garmeada Coal Co. v. UMWA*,[53] expressly relied upon the *Haislip* decision as the judicial basis for its decision. *Garmeada Coal* involved a breach of contract action initiated by Garmeada Coal Company against the international for illegal strikes conducted by members of the international's local union. The court determined that, in the absence of an agency relationship, the international was not liable for the illegal activity of its affiliated union. The Sixth Circuit affirmed the holding of the district court, and relieved the international of liability for the illegal activity of its members.[54]

More recently, in *Southern Ohio Coal Co. v. UMWA*,[55] the Sixth Circuit reiterated its commitment to the principles of agency embodied in sections 301(b) and (e). In *Southern Ohio*, the court declined to apply agency principles which would have held the international liable for the mass action of its members.[56] Instead, the court followed the more popular view that an international union will be held responsible only for the authorized or ratified actions of its agents.[57] For reasons unrelated to the agency question the

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51. *Id.* at 879.

52. *See* United States Steel Corp. v. UMWA, 526 F.2d 377 (5th Cir. 1976); United States Steel Corp. v. UMWA, 519 F.2d 1236 (5th Cir. 1975), *cert. denied*, 428 U.S. 910 (1976); North American Coal Corp. v. Local 2262, UMWA, 497 F.2d 459 (5th Cir. 1974); Old Ben Coal Corp. v. Local 1487, UMWA, 457 F.2d 162 (7th Cir. 1972); Blue Diamond Coal Co. v. UMWA, 436 F.2d 551 (6th Cir. 1970), *cert. denied*, 402 U.S. 930 (1971); W. L. Mead, Inc. v. International Bhd. of Teamsters, 126 F. Supp. 466 (D. Mass. 1954), *aff'd*, 230 F.2d 576 (1st Cir. 1956), *cert. dismissed*, 352 U.S. 802 (1956).

53. 230 F.2d 945 (6th Cir. 1956).

54. *Id.* at 945.

55. 551 F.2d 695 (6th Cir.), *cert. denied*, 434 U.S. 876 (1977).

56. *Id.* at 701. The "mass action" theory of liability is based on the belief that large groups of employees do not act collectively without leadership and that a functioning union must be held liable for the mass action of its members. *Eazor*, 520 F.2d at 963.

57. 551 F.2d at 701. *See, e.g.*, North American Coal Corp. v. Local 2262, UMWA, 497 F.2d 459, 466-67 (6th Cir. 1974). The Sixth Circuit has recognized that an international union's orchestrated passivity towards unauthorized strikes may, at times, qualify as suffi-

court vacated the judgment of the district court and remanded the case for further consideration by the trial court.[58]

The United States Court of Appeals for the Fifth Circuit issued a decision following the decisions of the Sixth Circuit. In *United States Steel Corp. v. UMWA*,[59] the Fifth Circuit prophetically expressed the position, subsequently approved by the Supreme Court in *Carbon Fuel*, that an international union should suffer imputed liability only when it is demonstrated that the international involved itself in the illegal activity of its affiliated local union. The Fifth Circuit stated that a parent union is exempt from responsibility for the illegal acts of its local unions in the absence of complicity or ratification of the challenged behavior.[60]

In 1975 the decision of *Eazor Express, Inc. v. International Brotherhood of Teamsters* placed the United States Court of Appeals for the Third Circuit in direct conflict with the Fourth, Fifth, and Sixth Circuits and created the disparity in the law which prompted the Supreme Court to grant Carbon Fuel's petition for writ of certiorari.[61] *Eazor* involved a suit brought by Eazor Express, Inc. (Eazor), commenced under section 301, to recover damages for alleged unauthorized strikes. Daniel Motor Freight, Inc. (Daniel) and its parent company, Eazor, were trucking firms whose employees were members of the Teamsters. On August 17, 1968, Daniel dismissed two members of Local 377 for having refused to fulfill a work assignment. After fruitless efforts to resolve their grievances, the discharged employees began to picket Eazor's terminal, and were quickly joined by fellow members of the local. A "wildcat" strike developed and ultimately spread to a second union which was under contract with Eazor.[62]

The Third Circuit held that the strike violated the collective bargaining agreement, and that implied in the no-strike clause of the agreement was an obligation on the part of the international, as a party to the contract, to use every reasonable means to halt

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cient inducement and encouragement of the illegal activity to warrant the imposition of liability upon the international. *See* Riverton Coal Co. v. UMWA, 453 F.2d 1035, 1042 (6th Cir.), *cert. denied*, 407 U.S. 915 (1972).

58. 551 F.2d at 711.

59. 598 F.2d 363 (5th Cir. 1979).

60. *Id.* at 367.

61. *See also* Bituminous Coal Operators Ass'n, Inc. v. UMWA, 585 F.2d 586 (3d Cir. 1978); Republic Steel Corp. v. UMWA, 570 F.2d 467 (3d Cir. 1978); United States Steel Corp. v. UMWA, 534 F.2d 1063 (3d Cir. 1976).

62. 520 F.2d at 956.

the unauthorized strikes.[63] The court recognized that its position was at variance with the *Haislip* holding, and vainly attempted to distinguish the latter as authority by arguing that the absence of a no-strike clause in the *Haislip* contract had relieved the UMWA of an implied obligation to halt the illegal activities of its local unions.[64]

The Third Circuit further contended that the mass action theory and the common law doctrine of agency, as expressed in sections 301 (b) and (e), warranted the imposition of liability upon the international.[65] The court reasoned that the international had an implied obligation to act, and its failure to do so functioned as acceptance of the illegal activity. Hence, the court determined that the striking members were acting as agents of the international, and that under the mass action theory or the principles of agency law, the international was vicariously liable for the illegal activity of its local unions.[66]

Carbon Fuel is a product of the judicial strife rooted in the *Eazor* and *Haislip* decisions. The holdings of the Third and Fourth Circuits reflected a polarization in the law which the Court was bound to reconcile.

Carbon Fuel's argument obviously mirrored the principles developed in *Eazor*. In its interpretation of the "integrity" clause, Carbon Fuel's position was analogous to the treatment which the no-strike clause received in *Eazor*. The Court's rejection of Carbon Fuel's argument functioned as a realignment of the law and comported with the limitations expressed in section 301.

Conversely, the holding in *Carbon Fuel* subsumes the principles expressed in *Haislip*. The Court reiterated and affirmed the common law agency tests as the criteria for imposing liability upon an international for the acts of its local unions. As the unanimous Court indicates, the decision in *Carbon Fuel* merely manifests a purpose to resolve a conflict which had persisted over the years. The Court did not create an imbalance in the law to the exclusive

63. *Id.* at 963.
64. *Id.* at 960.
65. *Id.* at 963.
66. *Id.* at 964-65.

benefit of either labor or management. The opinion simply provides an objective measure for determining the boundaries within which an international union can be held liable for the acts of its local unions.

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