

Labor and Union Protection

The Challenge

The evisceration of labor protections has been one of the key factors underlying the drastic shift in power and wealth from the majority to the minority over the past 40 years. Unionization allows workers – i.e. the majority of Americans – to band together to ensure fair treatment from their employers. They can bargain collectively to ensure – among other things – fair wages, decent working conditions, and social and environmental protections. Given this, strong unionization rates in the 1950s and 60s played an important role in the improvement of living standards throughout America, the rise in median wages, and rapid economic growth that was fairly evenly distributed. This helped create what is now known as the “Golden Age of Capitalism” with the maintenance of a thriving middle class.

Since the early 70s however, with the collapse of the Bretton Woods Agreement and the subsequent Reaganite assault on working Americans, there has been a major shift of power from workers to management, with total union membership rates dropping from around 25% to 12%, with nearly all that decline coming in the private sector, where the union membership rate of 7% is the lowest since the Depression.¹ The US – where following World War II, one in three non-farm workers were union members - now has the lowest unionization rate of any developed economy except France.² Just as high unionization levels contributed to rising living standards for almost everyone, the fall in unionization rates has led to a reduction in living standards for all but the super rich, with real median wages stagnant or declining,³ and CEO to worker pay ratio skyrocketed from around 30:1 to around 200:1.⁴

Building an America for all Americans means putting in place structures that ensure fair treatment for everyone. Implementing reforms that increase union participation and boost labor protection are key to realising this goal.

The Record of the Democratic and Republican Parties

Many of the advances in labor rights made during the Depression were formalized via the 1935 National Labor Relations Act. The backlash against this began in 1947 with the passage of the Taft-Hartley Act, which Truman denounced as a “slave labor bill”.⁵ The Bill was passed in a Republican Congress, but with enough Democratic support to override Truman’s veto. It prohibited pickets, political donations, and a number of strike actions, as well as restricting union shops and allowing for “right to work” laws to be passed by the states. This initiated the decline in union participation, which became precipitous under President Reagan. Despite criticizing the communist Polish government for its anti-union stance, stating that “where free unions and collective

¹ <http://www.bls.gov/news.release/union2.nr0.htm>

² http://stats.oecd.org/Index.aspx?DataSetCode=UN_DEN

³ Bureau of Labor Statistics

⁴ <http://stateofworkingamerica.org/charts/ratio-of-average-ceo-total-direct-compensation-to-average-production-worker-compensation-1965-2009/>

⁵ <http://www.counterpunch.org/2004/09/06/how-many-democrats-voted-for-taft-hartley/>

bargaining are forbidden, freedom is lost”;⁶ one of Reagan’s first major acts was to fire 13,000 striking air traffic controllers, followed by the emasculation of the NLRB, and other critical employee rights organizations as fundamental as the Occupational Safety and Health Administration. Illegal firings quadrupled from their previous rate.⁷

This disregard for unions is embedded in the GOP DNA, but is just as striking under the Democrats. President Clinton pushed NAFTA in the face of overwhelming union opposition, disregarding the role of the union-based Labor Advisory Committee, which is by law meant to advise the executive branch on any trade agreement.⁸ President Obama has continued in this vein.

Though he was supported to the tune of \$200 million, and many thousands of volunteers, by unions in the 2008 election,⁹ the disillusionment that they have felt for him since then was clearly illustrated in Scott Brown’s victory in the Massachusetts Senate run-off, where more union members voted for Brown, the Republican, than for the Democratic candidate.¹⁰

Since he has come to power, despite the massive labor support received during 2008, Obama has done little or nothing for organized labor, focusing instead on helping Wall Street. Pro-union Labor Secretary Hilda Solis aside, there is only marginal representation by organized labor in the Obama Administration, best epitomised by his 26 person Jobs and Competitiveness Council, with only two union representatives, and headed by Jeff Immelt, the General Electric CEO renowned for outsourcing jobs. Obama’s Chief of Staff, Jack Lew, has a reputation for being a union buster.¹¹

While there has been a major assault on organized labor in Wisconsin by Governor Scott Walker, Obama has remained silent, despite this being the perfect opportunity for him to illustrate any pro-labor credentials, given the scale of the backlash against Walker. In line with this lukewarm stance, he has given no significant support to the Employee Free Choice Act, legislation that would moderate Taft-Hartley and allow for greater union participation. With blue-collar America suffering, Obama’s jobs policies have been tepid, and his stimulus far too small. He has made it abundantly clear that labor is not a priority for his presidency. Working Americans and their families are going to have to suffer as a consequence.

Rocky Anderson’s Approach Toward Solutions

An Anderson Administration would recognize the fundamental importance of a strong and vibrant labor movement as being one of the key building blocks upon which a strong and vibrant working and middle class is based, as it was in the 1950s and 60s. As Mayor of Salt Lake City, he dealt constructively with three public sector unions. Salt

⁶ http://www.youtube.com/watch?feature=player_embedded&v=bn28oayX31Y

⁷ Source: “Hard Times for Unions: Another Look at the Significance of Employer Illegalsities”, Robert J Lalonde and Bernard D Meltzer, University of Chicago Law Review, Vol 58, No. 3, (Summer 1991), pp. 953-1014

⁸ <http://www.chomsky.info/articles/199303--.htm>

⁹ <http://www.politifact.com/truth-o-meter/statements/2011/mar/15/republican-national-committee-republican/rnc-said-unions-raised-400-million-obama-2008/>

¹⁰ <http://online.wsj.com/article/SB10001424052748704423204575017690900226982.html>

¹¹ <http://dailycaller.com/2012/01/12/obamas-new-chief-of-staff-jack-lew-a-union-buster/>

Lake City was the only city in Utah that engaged in collective bargaining, which Anderson has always supported.

Rocky would work towards enacting policies that will enhance union protection, and reverse the catastrophic decline in union participation rates, including the following:

- 1. More union participation in government.** The practice for decades by Republican and Democratic administrations has been to staff key administration positions with ex-CEOs of major corporations, or people with strong links to such companies. This reflects a balance of power tilted toward the managerial class, rather than the majority of Americans – the “99%”. There is no justification for this. In order to assure a truly representative government, Anderson would staff a significant share of economic positions with union and labor leaders, people who represent the majority of working Americans. This would represent a drastic reversal from the current Wall Street alumni system that President Obama favors. The beneficiaries of government policy would also change accordingly.
- 2. Repeal Taft-Hartley.** Anderson would work to build a Congressional consensus to repeal what President Truman called the “slave-labor bill” passed in the 1940s, the effects of which are still felt by working men and women and their families.
- 3. Support the Employee Free Choice Act.** As a corollary to repealing Taft-Hartley, Anderson would support the Employee Free Choice Act, in particular the provisions which facilitate collective bargaining, make it easier to join unions, and prevent firms from engaging in unfair labor practices. The Employee Free Choice Act is the most important current legislative proposal for labor rights. Support of that Act must be a key aspect of any labor agenda.
- 4. WPA-type Initiatives.** The Works Progress Administration was an enormous success and we are still benefiting from the contributions of the WPA to the repair and building of much of our nation’s infrastructure. (My high school, ranked one of the three most beautiful in the U.S., was a WPA project and is still serving my boyhood community well.) With such a program, we could put millions of people to work and contribute significantly to building up our infrastructure – including roads, bridges, buildings, and, with additional components to the initiative, our arts and cultural infrastructure.
- 5. Fair Trade.** NAFTA and CAFTA were betrayals to working people and their families and should be repealed or, at the least, re-negotiated so that employers of U.S. workers are placed on a more equal footing with employers of people in other nations. We should do what we can to return to the United States jobs lost to other countries as a result of the globalization of capital and the free trade agreements that benefited primarily the multi-national corporations that have moved many, if not all, of their operations outside of the U.S.