



Fight for Good Jobs and a Democratic Economy

Statement of the UE General Executive Board, August 24, 2018

In 2016, presidential candidate Donald Trump stood in front of the Carrier manufacturing plant in Indianapolis and promised Carrier's workers that he would save their jobs. In 2017, as Republicans in Congress prepared a massive tax giveaway to corporations and the wealthy, they named their bill the "Tax Cuts and Jobs Act," promising that the beneficiaries of their largesse would turn around and invest that money in creating good jobs.

Donald Trump was elected president, and 1300 Carrier workers lost their jobs anyway. The Republican tax giveaway passed, yet job growth has been lackluster. It turns out that corporations' insatiable desire for low-wage and non-union labor cannot be restrained by a couple of presidential tweets, and that cash-rich corporations, if given more cash, will simply use it to enrich their managers and stockholders.

Furthermore, the problem facing working people in the U.S. is not just lack of jobs, but lack of good jobs. The loss of jobs at Carrier was such a blow to their local community because they were good, union jobs, paying \$30 per hour and organized by the United Steelworkers.

The enactment of the North American Free Trade Agreement (NAFTA) and the establishment of the World Trade Organization (WTO) during the Clinton administration, and similar free trade agreements with Central America (CAFTA) and South Korea (KORUS FTA) negotiated during the George W. Bush administration, helped companies move hundreds of thousands of jobs to countries with lower wages, labor standards and environmental protections. In many of these countries, wages are low in part because right-wing governments have violently suppressed the labor movement, often with financial and military assistance from the U.S. government.

A renegotiation of NAFTA that raises labor standards would be an important step in stopping the continued loss of jobs. The current Canadian government, elected with crucial support from UE's Canadian allies in Unifor, has put forward proposals that would significantly improve the wages and bargaining power of Mexican workers, thus removing one of the incentives for U.S. and Canadian corporations to move jobs to Mexico. They have also proposed NAFTA provi-

sions that would prohibit "right to work" laws in the U.S., as an unfair limitation on the bargaining rights of U.S. workers.

President Trump repeatedly made headlines this year by imposing tariffs on the import of steel and aluminum from Canada, Mexico and the European Union, solar panels and washing machines, and a wide variety of goods from China. Tariffs are the bluntest instruments of trade policy and, as the UE General Executive Board declared in March, 'Protectionist measures in a capitalist economy of global "free" trade are not adequate tools for building a sustainable US infrastructure and improving the lives of workers.'

Without a conscious and coordinated policy to boost manufacturing employment across multiple sectors, tariffs merely protect certain sectors at the expense of others.

Recent research by the pro-worker think-tank The Century Foundation lays out what an industrial policy that would actually revive American manufacturing might look like: public investment and innovation policies that provide the basis for productivity growth; a commitment to education and training, not only through investment in K-12 education and making college more accessible, but also greater public support for apprenticeships, vocational education and sectoral training partnerships; and labor standards and social supports, including increasing the minimum wage, protecting workers' legal rights to overtime pay, and, most importantly, greater legal support for organizing and collective bargaining.

Reviving the manufacturing sector is important, but manufacturing is not the only provider of good jobs. A recent study by Economic Policy Institute looks at the economic performance of two similar Midwestern states, Wisconsin and Minnesota, and concludes that Minnesota, the state which has pursued pro-worker policies has seen better job and wage growth than Wisconsin by nearly all measures. Raising the minimum wage, supporting workers' rights to organize, and raising taxes on the wealthy and using them to finance projects that benefit the common good are, it turns out, much more successful at creating jobs than cutting budgets and busting unions.

(Continued on reverse)

The Congressional Progressive Caucus has proposed a budget that will create jobs through infrastructure investment. Their “People’s Budget” calls for investing nearly \$2 trillion (over ten years) in infrastructure, in order to “eliminate our lead-contaminated water system, address our overburdened mass transit system, and rebuild our schools, crumbling roads, and bridges.” The budget also “transforms our fossil-fuel energy system to ensure our children have an inhabitable planet, and provides funding for worker re-training and apprenticeship programs.” The Economic Policy Institute’s analysis of the People’s Budget estimates that, if enacted, it would create 1.8 million jobs.

In addition to investing in infrastructure, there are other actions that Congress could take immediately to improve job and wage growth. Guaranteeing every U.S. resident the right to healthcare through a single-payer, “Medicare for All” healthcare system would remove a significant cost from businesses, freeing up resources for wage increases. Providing free college tuition and guaranteeing retirement security by expanding Social Security into a true universal retirement program would also put more money in working people’s pockets, growing the economy. All of these policies are popular with the American people — a Kaiser Family Foundation poll in March found that 59 percent of Americans support Medicare for All, and support for free college tuition is even higher.

The transition to a clean-energy economy has the potential to not just replace jobs lost in fossil-fuel-based industries, but create far more new jobs. Transitioning to renewable energy, a cleaner transportation system, and a more energy-efficient built environment will require new manufacturing capacity to build equipment and vehicles, drivers and maintenance workers for expanded public transportation, and all sorts of workers in the building trades, as well as electricians, engineers, architects and technicians.

Various UE allies have put forward concrete, workable plans to achieve this. The Off Fossil Fuels Act introduced by Congresswoman Tulsi Gabbard, the Clean Energy Future plan proposed by the Labor Network for Sustainability and 350.org, and the National Climate Service proposal put out by the British Campaign Against Climate Change Trade Union Working Group would all address the climate crisis while creating between hundreds of thousands and millions of new jobs in renewable energy, transport,



construction, and other sectors.

As UE members know from long experience, employers — even those who are accountable to voters or the members of co-operatively-owned businesses — do not create good jobs out of the goodness of their hearts. In order to ensure that job-creating policies translate into real improvements in working people’s

standard of living, collective bargaining is absolutely necessary. Congress must act immediately to pass the Workplace Democracy Act, which would restore to U.S. workers the right to collectively bargain with their employers, and the labor and progressive movements should aim to achieve sector-level bargaining.

UE’s history offers an example of an even more ambitious approach to jobs. After World War II, UE District 8’s proposal for a Missouri Valley Authority was a vision of a democratic economy. It sought to improve the lives of working people through the creation of an entity that was publicly owned, and accountable to an advisory body made up of representatives from labor, farmer, business and citizens’ groups. Its purpose was not to create profit, but to meet the needs of the people and communities of the Missouri Valley. And its proponents envisioned that, through widespread unionization, workers would have a high degree of control over their workplace.

The dominant model of economic development for the past four decades has not been democratic, and it has failed working people. Activists, policy experts and pro-worker politicians are increasingly putting forward projects and proposals to make the economy more democratic, by promoting alternative, more democratic models of ownership, pursuing purposes other than profit, and increasing worker control over the workplace.

UE District 8’s Missouri Valley Authority proposal could easily be revived and modernized to address our climate crisis and provide good, unionized jobs. A network of regional Just Transition Authorities, publicly owned and accountable to communities and workers, could be set up to address the specific carbon-reduction and employment needs of different regions of the country.

UE members have an important role to play in the fight for good jobs and a democratic economy. UE’s history demonstrates that working people, organized into democratic, rank-and-file unions, can imagine new ways of doing things, guided by values of solidarity and democracy. Let’s get to work.

