Labor Rights: The Great Strike of 2021

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The best definition of a strike is when 'workers withhold their labor' for better wages and working conditions. The conventional wisdom is that unions go on strike. But that is incorrect. Workers go on strike and they don't necessarily need to be members of unions. That fact is evident today as millions of US workers are refusing to return to their jobs. They are 'withholding their labor' searching for better pay and a future.

We are witnessing the 'Great Strike of 2021' and it's composed mostly of millions low paid non-unionized workers!

Workers returned to jobs at a rate of 889,000 a month during the 2nd quarter 2021 (April-June) as the economy reopened. That average fell to only 280,000 per month in the just completed 3rd quarter 2021 (July-Sept), according to the Economic Policy Institute.

The most recent September month figure was only 194,000 jobs were refilled, according to the US Labor Department's monthly 'Employment Situation Report. That missed mainstream economists' prediction of 500,000.

According to various Tables in the US Labor Department's monthly 'Employment Situation Reports' (A-1, A-13, B-1), only half of the workers who were jobless at the start of 2021 have returned to work. Officially, per the Labor Dept. more than 5 million still have not. But that 5 million is a gross under-estimation. It doesn't count the 3 millions more who have dropped out of the labor force altogether and are no less jobless than those officially recorded as unemployed. Nor does the 5 million include a several million or so workers who were mis-classified by the Labor Dept. as employed in March 2020 when the pandemic began simply because they indicated when surveyed by the government that they expected to return to work even though they weren't working at the time of survey. The Labor Dept. soon thereafter acknowledged it was an error to count them as employed, but to date it has still refused to correct the numbers. That number of mis-classified as employed today remains around 1 million or so.

So there are somewhere around 8 to 10 million workers in the US still without any work at all, (which doesn't account for the millions more who are underemployed working part time or a few hours a week here and there).

Many of the 9 million or so are not returning to work out of choice—i.e. they are 'withholding their labor'. They are in effect on strike for something better.

While most are low paid, their ranks aren't limited to just those industries that first come to mind—like hospitality or retail work. The ranks of the low paid are common across nearly all industries in the US today, not just hospitality or retail.

Comparing the US Labor Dept.'s level of employment as of September 2021 to the pre-pandemic months of January-February 2020, number show workers withholding their labor is widespread across industries and occupations: Leisure & Hospitality shows 1.6 million fewer working today, in September 2021, compared with pre-pandemic months of January-February 2020. But the Health Care industry, with hundreds of thousands low paid workers in home health care and clinics, shows 524,000 fewer employed today compared to January 2020. Professional & Personal business services shortfall is 385,000; Education services—with its hundreds of thousands of adjuncts in higher education and millions of K-12 teachers paid low wages in small non-union school districts—is down by no fewer than 676,000. One would think manufacturing was a case to the contrary. But no. Millions of manufacturing workers are employed as 'temps' with low pay and no benefits—even in union contracts. Manufacturing has 353,000 fewer jobs today than it had in early January 2020. Ditto for Construction, with 201,000 fewer. And so on.

That's more than 5 million fewer—not counting those having dropped out of the labor force altogether or those still mis-classified as working.

It's safe to assume that at least half of the 9 million with no work whatsoever are refusing to return to work out of choice. That's 4 to 5 million who are de facto 'on strike'. The USA is in the midst of the 'Great Strike of 2021', involving millions of the low paid and super-exploited US workers across virtually all US industries!

Signs are beginning to appear that their example may now be spreading to the unionized workforce as well. Union contract renewals are being rejected—and strikes imminent or in progress—in industries from food processing (Kellog workers) to agricultural equipment (John Deere) to hospitals and healthcare on the west coast. These are large union bargaining units involving thousands, and tens of thousands of union workers.

Capitalist Ideology: Reversing Cause & Effect

Employers, business media, politicians and most mainstream economists won't acknowledge they're in a strike wave of both the unorganized and organized. They are united, however, in trying to blame the workers for what is a de facto walk out by millions. They are all lamenting, and scratching their heads, with no answers as to why so many workers are not returning to their jobs or willing to leave them—especially now that vaccines are available and employers are advertising job openings.

Their explanation earlier this past summer was unemployment benefits were too generous and were thus responsible for keeping millions of workers not returning to work. This theme was especially popular among politicians in the Red states. Starting last June 2021 many

Red state governors and legislatures unilaterally and pre-emptively cut unemployment benefits, even though the benefits were to continue until September. The then went silent as data over the summer showed that the few 'blue' states that did not cut benefits early—like California, New Jersey, etc.—actually showed a greater rate of return of workers to their jobs over the summer than did Red states that cut unemployment benefits early. So much for that argument.

Now the drumbeat by employers, politicians, and Red states is that child care benefits and improvement in food stamps are keeping workers from returning. It's the old employer strike strategy: starve them out and they'll come back to work.

In other words, workers' refusing to return to work has nothing to do with unlivable low wages, with lack of alternative health care for themselves and their families since returning to work means loss of government COBRA payments or Medicaid, with unavailable or unaffordable child care. It has nothing to do with employers offering many workers to return to work but at fewer hours and no guarantee of hours needed to ensure sufficient weekly earnings to cover their bills. It has nothing to do with employers insisting on unstable family-destroying work schedules, no civilized paid leave, and in general no hope for the future ever getting out of what is in effect a system of modern work indenture afflicting tens of millions of US workers today.

According to many employers, their media, and their politicians, it's the fault of the workers themselves. They've been given too much during the pandemic and now they don't want to work! That's the Capitalist mantra and explanation for the millions refusing to return.

With that explanation, employers, media, politicians and mainstream economists turn reality on its head! As is typical of the language games played by capitalist ideology, they have reversed cause and effect. The victims—the workers—are the cause of the problem and not the result or effect. Workers are the cause of the rate of job returns falling by two-thirds the past three months compared to the previous April-June period. Left unmentioned is the decades-long practices of paying unlivable low wages, few or no benefits, and working conditions so inadequate that virtually all other advanced capitalist economy have abandoned them years ago (i.e. no paid leave, child care, national health care, etc.).
The more accurate way to look at what's going on is that perhaps as many as half of the 9 to 10 million still without any work today are withholding their labor and looking for better wages, benefits, conditions, and new jobs that provide some hope for the future. 4 to 5 million US workers are in effect 'On Strike'.

The Great Strike Wave of 1970-71

The last great strike wave in America was 50 years ago, in 1970-71. At that time it was union workers who walked out en masse in construction, trucking, auto, on the docks and in dozens of other big manufacturing, construction and transport companies.

This working class history has largely been ignored by academics and the capitalist media. Probably because the strikes were so successful, in nearly all instances the striking workers and their unions winning big victories! On average, that strike wave resulted in 25% immediate increases in wages and benefits in no more than three year term agreements. The workers and unions could not be stopped by employers. They were so successful the companies had to turn to the US government to halt the successful strikes and contract settlements. They turned to Nixon, president at the time, in the summer of 1971 who quickly issued emergency executive orders to freeze wages won by the strikes and then roll back the 25% wage and benefit gains to no more than 5.5%.

The wage freeze and rollbacks were central elements to Nixon's so-called New Economic Program (NEP) issued that same August 1971 along with the wage freeze. In the NEP Nixon also attacked US Capitalist competitors in Europe and elsewhere with various trade measures and by ended the guarantee of exchanging the US dollar for 32 ounces of gold. That blew up what was called the 'Bretton Woods' international capitalist system that the US itself had set up in 1944.

In the former great strike wave of 1970-71 there were 10,800 strikes during the two years, with more than 6.6 million workers participating and 114 million work days lost due to the strikes. The 1970-71 strike wave was in some ways as great as the preceding big wave of 1945-46. In that period there were approximately 9,750 strikes involving 8.1 million workers resulting in an even larger 154 million work days lost due to the strikes. (Source: Analysis of Work Stoppages, US Department of Labor, Bulletin 1777, 1973)

Fast forward another half century, to the present day. There are almost as many workers 'withholding their labor' at around 4 to 5 million—with the number possibly rising as union workers join their ranks as their contracts expire. Number of work days lost is still to be estimated. But there is no doubt that there's a new militancy rising, as workers take their fate into their own hands—or should one say 'with their feet' as they walk away from their jobs and withhold their labor!

What's different today is today's Great Strike of 2021 is not led by the unions. Private sector unions in the US have been decimated and almost destroyed since 1980 as a consequence of Neoliberal policies of decades of offshoring of jobs, free trade agreements, and massive government tax subsidies to corporations to replace workers with automation, machinery, and new capital equipment.
Replacing this job destruction the past four decades were tens of millions of low paid minimum wage and substandard service, temp, part-time, gig and similar indentured 'precariate' jobs as they are called. The recent Covid crisis exacerbated and deepened the economic contraction of 2020-21. And now the low paid, precarious, and de facto indentured work force are in revolt.
Many industries and companies are now having to raise their wages and pay recall or hiring bonuses to try to get workers to return, as they continue to withhold their labor and create a labor supply shortage. Shortages of labor supply usually mean wages must rise. But the practice is uneven across industries and still largely anecdotal.

Historical Significance of the Great Strike of 2021

The US is in the midst of an historical event. Sections of the US working class may be awakening—on their own—and not led by unions that have either been destroyed or are being led by senior union leaders who don't want to strike out of concern it might 'embarrass' their Democrat Party senior friends.

The great strike of 2021 is composed, in contrast, of mostly the non-unionized workforce—lower paid service workers, independent long haul truckers, delivery drivers in the cities, hospitality workers in hotel and restaurant service, workers in retail, on local construction projects, teachers and school bus drivers, nurses 'burned out' by chronic overtime, warehouse and food processing workers pushed to the limit for the past 18 months, home care aide workers exploited by US middleman ‘coyotes’, and so on. The list is long.

Mainstream economists and politicians have very little understanding of the fundamental, structural changes to production processes and to product-service markets that the Covid period and deep contraction has wrought. Those changes are still be revealed. And many will prove profound. The restructuring of US labor markets now appearing is just the beginning The Great Strike of 2021 is but the symptom. Product markets and global distribution of goods and services are under similar great stress and change as well. Not least, the full effect of financial asset markets—i.e. stocks, bonds, derivatives, forex, digital currency, etc.—is yet to be felt as well. That one is yet to come and when it does may prove the most de-stabilizing of all.

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