

## The Labor Movement and Low Wages in America: What the AFL-CIO Did Not Say About Raising Wages

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On January 7, 2015 the AFL-CIO, in what might be a desperate attempt to seem politically relevant to the labor movement, staged a "National Summit on Raising Wages," featuring Senator Elizabeth Warren as the keynote speaker, followed by a panel discussion. Leo Gerard, president of the United Steelworkers International Union and part of the left wing of the labor movement, has touted this summit as a significant step forward. But what was not said at this summit was far more important than what was said.

In her address, Senator Warren touched on the usual devastating statistics around the growing inequality in wealth. The current staggering numbers highlight just how bad things have evolved: In 1970 the bottom 90 percent of the population received 70 percent of the nation's new income, leaving 30 percent for the wealthiest 10 percent. Today the top 10 percent receive 100 percent of all new income while the bottom 90 percent are getting nothing but in fact are losing ground.

These are important statistics to have at one's command, but the real question that the summit was purportedly going to address was how to reverse this demoralizing trend. What key strategy must be implemented? The audience was left staring into the abyss.

Senator Warren was less than helpful. While assuring her audience that change was possible, she had nothing to contribute strategically to the discussion. She said, for example, that, "one way to make change is to talk honestly and directly about work, about how we value the work that people do every day."

Talking does work for the 1% because they can accompany it with money. But for the rest of us who can't funnel huge checks to politicians, we need a massive movement in order to exercise power. Perhaps Senator Warren was disoriented by her audience, which was composed mostly of men in expensive suits, hardly looking like they needed a raise. In any case, Warren had nothing to say about creating a mass movement because the Democratic Party, to which she belongs, flatly rejects them. Mass movements can easily take on a life of their own and escape the control of those who initiate them, including the Democrats, who see the masses as objects of manipulation, not comrades in arms.

Worse yet, Warren failed to suggest any number that would constitute an appropriate raise. This failure was not accidental. The Democrats will have nothing to do with a \$15 minimum wage because their handlers, the 1%, as a rule firmly reject it. Raises, after all, come out of their profit margins. Consequently, President Obama has proposed a pathetic federal minimum wage of \$10.10. Democratic Governor Jerry Brown of California recently signed legislation that will raise the state minimum wage to \$10 by 2016. Democratic Governor Andrew Cuomo of New York just recently proposed a \$10.50 minimum wage for New York

State by 2016 and \$11.50 for New York City. None of these proposals has excited mass movements.

Warren's failure to raise any demands, which is the first indispensable step to creating a movement, of course, invokes Frederick Douglass' famous comment, "Power concedes nothing without a demand. It never did, and it never will." But as a former Harvard Professor, Warren was probably aware of this.

During the panel discussion that followed Warren's address, the moderator did raise the question to his panelists about how to build a movement, but no one bothered to answer his question, and the moderator didn't seem to care — all of this reinforcing Warren's message that what we need to do is "talk" about the lofty ideals surrounding labor without actually engaging in a serious discussion about implementing them.

All this talk, devoid of substance, was carefully orchestrated. The AFL-CIO wants to *appear* politically relevant to its members without *actually* being politically relevant. The only strategy in recent history embraced by the AFL-CIO has been to elect Democrats to office. But once elected, because the party is controlled above all by the 1%, the Democrats have done little in return for labor. When President Obama was first elected in 2008, the Democrats controlled both houses of Congress with a super majority in the Senate. They had the closest thing to absolute power that is possible in this system of government. Yet the favors they did for working people were insignificant compared to the massive bailout with no strings attached they provided Wall Street.

Nevertheless, the AFL-CIO has proven to be a loyal subject of the Democratic Party, asking for little in return. It abides by strict party discipline, orchestrating conferences to dovetail with the Democratic Party agenda, and jumps up and down, apparently on command, to cheer campaigning Democratic Party candidates while channeling them hundreds of millions of dollars supplied by their dues-paying members.

Meanwhile, a real movement fighting for \$15 has been gaining momentum, thanks in large part to the Service Employees International Union (SEIU), which has been supplying it with organizing funds. The SEIU is not a member of the AFL-CIO but in an alternative labor federation, Change to Win. In early December 2014, workers in over 150 cities staged one-day strikes for \$15, creating what <a href="The New York Times called">The New York Times called</a> "the largest labor protests in the nation in years."

This movement inspired <u>union activists in Oregon</u> to mount a campaign to win a statewide \$15 minimum wage. Thus far they have secured the endorsements of over fifty unions and community groups, and are deepening and expanding their campaign by the month.

The fight for \$15 has gained traction, yet it is still a fledging and can be squashed easily. SEIU could, for example, decide to withdraw support. And when some labor unions fight for a higher minimum wage but call for something less than \$15, whether consciously or not, they are undercutting the fight for \$15. They are announcing loud and clear that less is OK — despite the unprecedented growth in income inequality — thereby making it harder on those who insist on \$15 by eroding expectations.

Were the AFL-CIO to join the fight for \$15, however, the movement could experience an explosion in growth, not just because the AFL-CIO has large resources at its disposal. The choice of the AFL-CIO to join a competing labor federation would send a strong message of

solidarity throughout the labor movement that would reverberate and inspire workers across the country.

The AFL-CIO confronts a choice: It can sever its ties to the Democratic Party, revitalize the labor movement, and throw its resources into the campaign for \$15, thereby helping the entire working class while putting a brake on the growing inequalities in wealth. Or it can just talk. Its members need to start insisting on a new, independent course of action.

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