

## Is Obama Backing Off a Crucial Pledge to Labor?

By STEVE EARLY

It's only been a month since hundreds of thousands of union members and their families helped Barack Obama win key "battleground states." Yet, already, some labor supporters of the president-elect fear he may be backing away from a key campaign promise to workers threatened by recession.

While running for office, Obama said he strongly favored the Employee Free Choice Act (EFCA), a long overdue labor law reform measure that should be part of his promised economic stimulus plan. However, when Obama introduced his top economic advisors on Nov. 25 and talked about steps to "jolt" the economy in January, EFCA was not part of the package. More disturbingly, his new chief of staff, Rahm Emanuel, declined to say whether the White House would support EFCA when he was questioned about it last month at a Wall Street Journal-sponsored "CEO Forum."

EFCA is vehemently opposed by big business because it would enable workers to unionize and negotiate first contracts more easily. The bill would amend the 73-year old National Labor Relations Act (NLRA) so that private sector employers have to bargain with their employees when a majority sign union authorization cards. Just as the NLRA did, as a centerpiece of the New Deal, EFCA would encourage collective bargaining to raise workers' living standards and restore greater balance to labor-management relations. Beginning in the late 1930s, this federal labor policy helped create a vast new post-World War II American middle-class.

Now, facing the worst financial crisis since the Depression, the Democrats have an unparalleled opportunity to link labor law reform to their broader economic recovery efforts. As economist Dean Baker, from the Center for Economic and Policy Research, points out, "If workers are able to form unions and get their share of productivity gains, it could once again put the country on a wage-driven growth path, instead of growth driven by unsustainable borrowing."

Tax cuts, home foreclosure protection, extended jobless benefits, and a public jobs program are all fine, EFCA supporters say. But expanded use of labor's traditional tool for "self help" (i.e. collective bargaining) is needed just as much and doesn't require new federal outlays like the recent \$700 billion bailout of Wall Street. With newly-won bargaining rights, both hourly and salaried employees would gain a seat at the table, when management decisions are being made during the hard times ahead. Even amidst downsizing, they would have more say about lay-offs, severance pay, and recall rights, not to mention wages, health care benefits, and the funding of troubled retirement plans.

Business has a far different and scarier view of EFCA's potential (and not just because it might lead to a wave of successful organizing). Contrary to the opinion of most historians, employer propagandists claim that NLRA-assisted union growth during the late 1930s actually prolonged the Depression. In a recent op-ed piece, National Right To Work Committee president Mark Mix predicted that passage of EFCA "will likely have a similar effect on the economy as the original Wagner Act, transforming what could have been a recovery into a lengthy, deep recession, or worse." To kill the bill, business groups spent an estimated \$50 million on anti-EFCA advertising in Congressional races this fall.

Key Democratic challengers were elected anyway, giving labor law reform a large majority in the House and, by some estimates, 59 Democratic, Republican, and independent supporters in the Senate. Based on this latter head count, it will only take a single additional Republican vote (for cloture, if not for EFCA itself) or another Democratic win, in the still-disputed contest for a Minnesota Senate seat, to thwart any GOP filibuster like the one in 1978 that doomed labor's last bid to overhaul the Wagner Act.

Of course, a few Senate Democrats counted as pro-EFCA by labor may now be waffling, on cue from Chief of Staff Emanuel. See, for example, Arkansas Sen. Blanche Lincoln who told the Northwest Arkansas Times Dec. 4 that "focusing on this bill, this issue, isn't paramount." According to the Times, Lincoln professed to be "undecided" on EFCA and "believed the nation has more important issues to deal with." Even a union supporter and key House committee chair like Rep. George Miller (D-Calif) seemed to be sending mixed signals in a Nov. 18 Chicago Tribune interview. Miller said EFCA was not going to be "the first bill out of the chute," but was "not moving to the back of the train" either.

As Michael Mishak reported in the Las Vegas Sun Nov. 30, the new administration clearly fears that any debate about EFCA early in 2009 "would be divisive at a time when Obama has gone to great lengths to bridge the partisan rift in Washington that has grown deeper over the past eight years." (Of course, outside the Beltway, there's little evidence that strengthening workers' rights is an unpopular cause anywhere in America.) The problem for labor is, if EFCA is not pushed early and hard as part of Obama's overall economic recovery plan, the bill runs a high risk of getting pigeonholed as "special interest" legislation and post-election "pay-back" for labor. This narrow frame will seal its fate.

That's why the same union-backed political apparatus that helped put Obama in the White House needs to be re-mobilized now to keep grassroots pressure on him and other Democrats. In many cities, a broad coalition of labor and community groups organized by Jobs With Justice is planning a week of activities, Dec. 7-13, calling for a "People's Bailout" that would include passing EFCA. In January, unions need to bring their rank-and-file members to Washington in far greater numbers than the UAW has mustered on behalf of its foundering, management-driven agenda for the auto industry.

Labor has a strong case to make that EFCA is an economic fix that would work, while costing taxpayers almost nothing compared to massive handouts for bankers, insurers, credit card companies, investment firms and, perhaps next, auto makers as well. Workers about to be -- or already -- crippled financially by the recession will be watching closely to see whether their plight merits the same helping hand so quickly extended to corporate America.

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