

## **Obama and Workers' Rights in America**

Labor Day Speech

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**Inequality** 

President Obama is a friend of the working people...one day a year. The rest of the year he is rewarding banks with bailouts and war contractors with more war. On Labor Day, workers were offered nothing of substance, just kind words.

Obama began his speech by spending an excessive amount of time exaggerating the leadership abilities of both AFL-CIO officials and Ohio's Democratic representatives. The motive was simple: the "partnership" between organized labor and the Democratic Party is central to the languishing existence of the two-party system, while helping to keep the labor movement in an equal state of decline and decay.

Obama then discussed labor's history, and how the gains that all working people benefit from — "the 40-hour work week, the minimum wage, health insurance, paid leave, pensions, Social Security, Medicare..." — are the result of unions fighting for social change.

Although true, it is ironic that the majority of labor leaders today —including the ones Obama praised — have abandoned the fighting policy that brought the unions into existence in the 1930s, opting instead to "play dead" and beg for handouts from Democrats. Unfortunately, even the tiniest of handouts stopped with Bill Clinton. Labor gave Obama hundreds of millions of dollars for his election campaign, but the Democrats aren't giving back. Not even a crumb.

For example, Obama's speech again re-stated his desire to see the pro-labor Employee Free Choice Act passed — his main campaign promise to unions. What Obama failed to mention, however, is that the heart and soul of the bill — the card check provision — has already been dropped/betrayed, a fact conveniently ignored by labor leaders desperate to maintain their corrupt relationship with the Democrats.

A large portion of Obama's speech was dedicated to health care, where he said: "I continue to believe that a public option within the basket of insurance choices would help improve quality and bring down costs." However, Obama and those around him have been silently retreating from the public option for weeks, advocating instead "health care co-ops."

The newest health care proposal worked out in the Senate Finance Committee "...does not include a public option, or a government-run insurance plan, to compete with private insurers..." (New York Times, September 6, 2009). Obama continues to leave the craftsmanship of a health care bill to an anti-public-option Congress, while consistently maintaining that a public option is not necessary to avoid a presidential veto. The effect is that nothing progressive will happen with American's health care system.

Also in Obama's speech was outstanding rhetoric around his stimulus bill, which he credited with saving the economy. For the average worker, Obama's stimulus bill was an incredible failure, since millions of jobs have been lost and continue to be lost. After acknowledging that 216,000 more jobs were lost in August, Obama said, "we're on the right track." What he failed to mention was that the recession is also driving down wages, which, combined with exploding unemployment, has had a positive effect on corporate profits. Some leading economists are predicting a "jobless recovery," i.e., a recovery for big business only.

An incredibly revealing aspect of Obama's speech was his announcement that Ron Bloom — the Car Czar — would become Obama's Senior Counselor for Manufacturing Policy. Many are referring to the new position as a "manufacturing czar."

As head of Obama's Auto Task Force, Bloom — a former investment banker — helped dismantle the United Auto Workers Union (UAW), reducing the number of jobs by 30,000, while also drastically lowering wages and benefits for autoworkers. We can expect a similar approach to manufacturing workers in general.

Some are predicting that as "Manufacturing Czar," the Obama administration is headed towards a more interventionist industrial policy. Bloomberg News reported: "As the chief policy maker on manufacturing, Bloom would be charged with reviewing U.S. competitiveness in the global economy. His job would likely encompass trade, taxes and other economic issues..." (August 20, 2009).

In practice, this amounts to a more protectionist trade policy. The Conservative Heritage Foundation explains: "Obama adviser and former cable executive, Leo Hiderly, starkly described the elements of such a strategy: government picking winners and losers among products and firms, government spending to support industry, and trade protectionism." (August 20, 2009).

The danger here is that American workers will see such a policy as intended to help them, instead of the corporations. In the same way that corporations tell workers that they must lower wages to "stay competitive," Obama's manufacturing czar will likely combine this demand with the scapegoating of foreign corporations and the raising of tariffs. With rising tariffs come rising global tensions, as other countries will respond with restricting American exports. Policies like these create trade wars and can deepen recessions. Workers need an independent position in these matters, not one that continues to link them to their corporate bosses and by extension the Democrats.

What wasn't mentioned in Obama's speech is that organized labor has been on the decline for decades. Wages have been stagnant or declining, and the number of workers in unions has been shrinking. Nothing Obama proposed will change this. Only an entirely new approach for the labor movement can create real change, requiring that unions re-adopt the fighting strategies employed in the 1930s and 40s. This means ending their partnership approach to the employers, while refusing to renounce their most valuable weapon: the strike.

Politically, labor cannot continue to lavish money on the Democratic Party while getting absolutely nothing in return. This money would be better spent on building powerful strike funds and an independent, labor-based political party.

By next Labor Day, when the Democrat's betrayals are old news, and the wars in

Afghanistan and Iraq are still raging, Obama will not be so welcome to address workers on their holiday. By then, rank and file workers will be discussing ways to move the labor movement forward, while leaving the Democrats behind.

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