Labor News Digest

July 2002 Vol.XI,No.IIII

In This Issue

Your Wake-Up Call the Overvalued Dollar: Its Effect on Your Job (p. 2)

Cutco Cutlery and George Lucas Presented Labor-Management Award by Union Labor & Service Trades Department, AFL-CIO(p.3)

Five Signs That Your Company Needs to Make a Change (p. 3)

Obesity: A Heavy Drag on Health Progress (p. 4)

Is Trade a "Jobs" Issue? (p. 4)

Use OSHA, Contract Language to Protect Workers' Safety, Health (p. 5)

Labor Day Is a Time to Tell the Truth About Jobs (p. 5)

Labor History Lewis Hine: Documentation of Child Labor (p.6)

Weingarten Rights— Employee's Rights to Union Representation (p. 6)

As Experts Pronounce Recession Over Working Families Brace for Hard Times

In February, government officials pronounced an end to the recession of 2001, but for millions of jobless workers and millions more facing layoffs, hard times are just beginning.

Congress took belated action on a stimulus package in early March. For workers, the package was a bitter disappointment, containing only a 13-week extension of unemployment benefits and no provisions for health care coverage for the jobless. Business lobbyists did better in the bill, securing another \$50 billion in tax benefits in the same measure.

Labor's call for a coherent economic policy to address the continuing loss of manufacturing jobs was ignored.

Meanwhile, the steady march of manufacturing jobs out of the U.S. continues. Early this year, the venerable Black & Decker Corporation, one of the last remaining U.S. power tool makers for do-it-yourselfers and industrial use, announced it would shut down three facilities and send 2,400 jobs overseas—to Mexico, China, and the Czech Republic.

Black & Decker is just one in the growing list of American manufacturers that have hightailed offshore for cheaper wages. Over the past 22 months, nearly 100 of the nation's most recognizable manufacturers have announced or actually made job cuts of 1,000 or more employees. Among the most notable are Motorola (48,000 cuts), Lucent Technologies (46,000), Xerox (13,000), Corning (7,575), Philips Electronics (7,000), Eastman Kodak (6,500), General Electric (75,000), Boeing (38,600), Honeywell (16,000), Ford Motor Company (22,000), Whirlpool (6,000), and General Motors (15,000).

In January 2002, the Labor Department reported that the nation's unemployment rate was 5.6 percent, as 89,000 jobs disappeared from the nation's payrolls in the same month.

The AFL-CIO estimates that more than 1,054,000 jobs have been lost since September 11, but another 1.1 million were lost in the first nine months of last year.

America's job losses come from across a range of industries: from high-tech to basic manufacturing; hospitality and transportation to retail. But, manufacturing—with nearly half a million jobs lost between September 11 and the beginning of 2002—is clearly the most vulnerable sector in the economy.

Thousands of last year's job losses were related to 9/11. Thousands more could be ascribed to the economic slowdown of the past year.

Many of the terrorist-related job losses aren't even counted in Labor Department statistics because they were filled by immigrant workers who are not likely to file for jobless benefits.

Other job losses—in the communications and high tech industries—are directly related to mergers. Job shrinkage in those industries is likely to continue as Bush-appointed government regulators pursue a hands-off policy for mergers.

Bankruptcies—at Enron and K-Mart, for instance—are taking a heavy toll in jobs in both finance and retail. K-Mart announced plans on March 8 to cut some 22,500 jobs in stores it will be closing.

The company received more than \$2 billion in added financing as it reorganizes under bankruptcy and said it will use \$150 million of that for bonuses to keep executives on the job.

Unions have argued that the end of a recession does not automatically translate into an expanding job market, maintaining that tax cuts for the wealthy do not create jobs for the victims of that recession. Still the Bush Administration continues to pursue shopworn trickle-down policies resurrected from the Reagan years.

Union Label & Service Trades Department, 815 16th St., N.W., Washington, DC 20006.

Labor News Digest, July 2002 Copyright 2002, JALMC Inc.

Your Wake-Up Call

The Overvalued Dollar: Its Effect on Your Job

"If a man tells you he loves America yet hates labor, that man is a liar. For to rob one is to fleece the other." Abe Lincoln.

Generally, workers find it hard to get interested in reading and learning about economic factors and figures. It is easier to let the policy-makers deal with the failure of economic and trade policy. Brothers and sisters, a deep and long-lasting manufacturing crisis exists in this country that threatens the future of American prosperity, and it is crucial that PACE members be educated and involved and join with the leadership of PACE to demand a solution.

For the last 20 years, policymakers have failed to put adequate priority on manufacturing, causing the loss of manufacturing jobs and a decline in manufacturing as a share of the U.S. economy. Policymakers negotiated unequal trade agreements that left U.S. markets open to foreign invasion, while foreign markets remained closed to American exports. The Federal Reserve and the Treasury have persistently neglected the dollar, allowing it to appreciate massively against the currencies of U.S. trading partners. American workers are the most efficient in the world, but even they cannot compete when hobbled by an overvalued dollar that puts U.S. labor at a 30 percent cost disadvantage.

Manufacturing companies have been given an added incentive to shift production offshore to take advantage of depreciated foreign currencies. And this incentive has been further amplified by trade agreements that have failed to incorporate workers' rights and labor standards, thereby fostering a race to the bottom that has business chasing the most exploitable workers to gain competitive advantage.

Manufacturing is the key to productivity growth for the American economy, and its higher paying jobs have been the stepping-stone for millions of American workers to reach middle class status. But, policymakers have fallen into the trap of thinking that a job is a job, and have shown complete and total neglect for manufacturing. They have actively undermined manufacturing by encouraging import and the transfer of manufacturing jobs offshore. Even PACE jobs were lost in the production of military propellant because the U.S. government awarded the contracts to a foreign country.

This failed policy has created a massive loss of manufacturing jobs, stagnation of wages, and a worsening of income distribution. America's trade deficit surged to \$28.5 billion in January 2002 as the nation's foreign oil bill surged and U.S. exports fell to the lowest level in more than three years.

In the paper industry alone, East Asian producers chronically dumped paper into the American markets. The loss of about 10,000 jobs in the paper industry, about 8,000 jobs in the manufactured goods sector, such as automobile parts, and closure of many of the 52 pulp and paper mills in the United States and Canada last year were largely due to the overvalued dollar.

The PACE Legislative Department and leadership are working closely with members of Congress, other industrial unions, and businesses in an effort to force the administration to change its policy on the overvalued dollar and address the manufacturing crisis, but your help is needed.

Please answer your wake-up call. PACE members can greatly aid the union's efforts by sending the following letter (or similar one) to President Bush. To do so by e-mail, use the following address: president@whitehouse.gov. Please forward a copy to your senator and representative. Their mailing addresses can be found at www.senate.gov and www.house.gov.

The Honorable George W. Bush The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

Dear Mr. President:

I am writing to you as an American worker. I feel that at the current levels of exchange, the dollar is overvalued and as a result is having a negative impact on the industry where I work. America is losing good paying jobs because the overvalued dollar lowers the prices of imports and prices our exports out of foreign markets. Many of these jobs are in rural communities where they serve as the backbone of communities and the families who live there. Divorce, spousal abuse, alcoholism, and even suicide are not uncommon.

Since 1997, various estimates show that the dollar has appreciated by about 30 percent. No amount of cost cutting can offset a nearly 30 percent dollar markup. The total effect on the U.S. economy is staggering. Manufacturing employment has fallen by nearly a million jobs since mid-2000. Yet, in the face of slowing economic growth, declining interest rates, and rising manufacturing unemployment, the dollar has remained overvalued. The United States must signal that it does not support an overvalued dollar and join others in reducing exchange rate distortions and global trade imbalances if U.S. industries are to survive.

Mr. President, I believe that unless the dollar is allowed to assume a lower value, consistent with the underlying value of our economy, many of my brothers and sisters will no longer have jobs, and the United States will become an even weaker manufacturing nation because of it.

Sincerely,

Cutco Cutlery and George Lucas

Presented Labor-Management Award by Union Label & Service Trades Department, AFL-CIO

The Union Label & Service Trades Department of the AFL-CIO has named Cutco Cutlery of Olean, N.Y., and movie producer George Lucas of San Rafael, Calif., as recipients of its annual Labor-Management Award.

The award is presented annually to honor employers demonstrating a "commitment to the collective bargaining process and to the production of competitive union-made products and services in the United States."

Cutco employs nearly 600 members of United Steelworkers of America, Local 5429 in Olean. More than 600 movie specialists produce special effects, create sets, and design animation in Lucas operations in San Rafael. They are represented by Local 16 and 624 of the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada (IATSE). Lucas also employs Teamsters represented by Teamsters, Local 600.

The awards were presented in April in Minneapolis at the Department's annual Labor-Management Award breakfast, which serves as a prelude to the annual Union Industries Show.

"The final selection among the scores of submissions we receive is always difficult, but this year we had two extremely worthy recipients in Cutco Cutlery and George Lucas. Both are highly successful ventures in very different industries. They share an uncommon commitment to their relationship with the workers they employ," explained Charles Mercer, president of the Department.

Accepting the award on behalf of Cutco, James Stitt, President and CEO, Alcas Corporation (parent company of Cutco Cutlery) stressed the importance of continuity and mutual trust.

"Nothing changes overnight, and if you have the time, you can forge deeper relationships yielding larger successes," Stitt said, noting that in the early years when Cutco faced rocky times, "we were on the brink of having the company fold." Cutco management went to the union and requested wage cuts with a solemn promise that "just as we asked them to share in our bad times, we would be committed to share the future good times." Once the crisis passed, Stitt said, the union and management instituted a profit sharing plan, which has since paid out nearly \$18 million for an average bonus of 17 percent a year. Stitt vowed that the company and the union will continue to work together "to find ways to change so that growth will continue."

John Murphy, special assistant to United Steelworkers President Leo Gerard, said that cooperation between Cutco management and its unionized workers has long been apparent, but the effort that resulted in collecting more than \$90,000 for the victims of 9/11 "demonstrated more than anything else why the Steelworkers are so proud of Cutco."

Accepting the 2002 Award for George Lucas, Industrial Light & Magic Vice President and CEO Gail Currey pointed to the diverse workforce that "symbolizes the new face of the labor movement."

Currey pointed out that Lucas ventures employ "extremely talented employees, some of whom might be considered eccentric." However, she added, "we also have more than 500 employees whose primary tool is a very fast computer. But, they sign their e-mails with the phrase 'proud to support my union'".

She described Lucas as an individual "who doesn't ordinarily care about awards, but he cares about this one, because of what it stands for."

IATSE President Tom Short lauded Lucas for his commitment to his workers: "In this day and age when many employers in the film industry choose to cater to non-union subcontractors and/or take their work outside the United States to escape contracts, George Lucas has made his home in the San Francisco Bay area and given more than 600 union employees an opportunity for a better life through his affiliation with the trade union movement."

Previous recipients of the Labor-Management Award include Fenton Art Glass Company, Amtrak West, A. Zahner Company, Bear Creek Production, American Electric Power, Outokumpu American Brass, DeLancey Printing, Sahara Hotel, Shubert Organization, Reynolds Metal Company, Owens-Corning Fiberglass, Carhartt, Inc., General Vision Services, Kellogg Company, and Harley-Davidson.

Five Signs That Your Company Needs to Make a Change

- Your market is disappearing. If the products or services you are offering are no longer in demand, it's time to consider changing.
- You are losing interest in your business. Think about how things have changed and revisit your original motivators.
- Your competitors are changing, and your company isn't. Companies need to keep up, or they will fall behind.
- Your customers are leaving you for your competition. Identify and improve areas you are lacking in immediately.
- You're losing key employees to the competition. Figure out what the competition offers that you don't.

Labor News Digest, July 2002 Copyright 2002, JAINC Inc.

Obesity: A Heavy Drag on Health Progress

A prominent national official recently made a startling statement about a potential threat to America's medical progress. Unless the nation addresses this problem, he said, recent improvements in such areas as heart disease, cancer, and chronic health problems could be wiped out. Before naming the threat and the official, what do you think he may have been talking about?

A terrorist attack on major research centers?

Discovery of a new and highly resistant strain of virus or bacteria?

Neither of the above?

If you chose the last one, you are right. Surgeon General David Satcher, M.D., predicts that health problems tied to obesity could lead to a reversal of health gains achieved in the United States in recent decades. In a "Call to Action to Prevent Overweight and Obesity," Satcher outlined strategies that communities and schools can take to address the issue. Here are some of the steps the surgeon general proposed:

- Requiring physical education at schools.
- Providing recreational facilities for people of all ages.
- Offering healthier food choices on school campuses.

"People tend to think of overweight and obesity as strictly a personal matter," Satcher said. "But there is much that communities can do to address these problems." About 300,000 deaths a year are now linked to overweight and obesity--a number that is closing in on the 400,000 annual smoking deaths, according to a federal report released in December 2001.

According to a Rand Corp. study, published in <u>Health Affairs</u> in March 2002, obesity is a greater health problem—in both costs and numbers of people involved—than drinking and smoking combined. Since 1980, obesity has doubled among adults in the United States and tripled among adolescents. Fewer than one in three Americans engage in 30 minutes of moderate exercise five days a week.

Obesity and overweight affect all racial groups and both genders. However, the toll is heaviest on minority women and white and Mexican-American men.

In addition to a more sensible diet and increased physical activity, the call to respond to this national health problem includes three other recommendations:

- Educate all expectant parents about the benefits of breast feeding. Breast-fed infants may be less likely to become overweight as they grow older.
- Change the perception of obesity so that health becomes the chief concern—not personal experience.
- Increase research on the behavioral and biological causes of overweight and obesity.

The Ironworker, 1750 New York Avenue, NW, Washington, DC 20006.

Is Trade a "Jobs" Issue?

Trade is America's top "jobs" issue. The U.S. Commerce Department reports that each \$1 billion of exports supports roughly 10,000 jobs. But Washington acknowledges only half of that equation.

A U.S. trade surplus of \$1 billion equates to 10,000 more American jobs. However, a trade deficit of \$1 billion translates into 10,000 fewer such jobs.

In 2001, the United States had a trade deficit of more than \$410 billion, which cost America more than four million good-paying, high quality jobs. The U.S. Department reports that more than 1.3 million of those lost jobs were in manufacturing.

The principal sources of these job losses are recent U.S. trade agreements, including NAFTA, the World Trade Agreement, and a variety of one-sided pacts with China. Also, the recent U.S.-African and Caribbean Trade Acts were simply unilateral U.S. foreign aid grants to stimulate manufacturing in those countries. All of these agreements encourage both the shift of factories from America to these developing nations and then more U.S. imports from them.

As these trade agreements come into full effect, still more U.S. factories and jobs will be lost.

What Washington ignores is that its trade policies are pitting U.S. workers making a living wage, including benefits, against workers in developing countries paid penny-wages and no benefits.

And while a handful of manufacturers and retailers prosper under these trade agreements, millions of Americans are now suffering job losses and pay cuts, as are the states and communities where they live.

We think U.S. trade should strengthen our economy and jobs, not pit Americans against penny-wage foreign labor.

We think manufacturing in America matters. What do you think?

For more information or to contact your elected officials and local media, go to www.craftedwithpride.org.

Labor News Digest, July 2002 Copyright 2002, JAIMC Inc.

Use OSHA, Contract Language to Protect Workers' Safety, Health

Along with the local's safety and health committee, stewards are the first lines of defense in protecting the membership from on-the-job hazards. As local leaders, it's our job to make sure the employer is maintaining a safe and healthful workplace.

OSHA Facts

Congress passed OSHA—the Occupational Safety and Health Act—in 1970 to establish health and safety standards for various jobs and industries. Occupational safety and health standards are enforced in all 50 states.

OSHA has jurisdiction over private-sector employers, with the exception of industries that are regulated by other federal agencies, such as mining, railroads, nuclear power, and trucking.

The first part of OSHA coverage, known as the "General Duty Clause," states: "Each employer shall furnish to each of his employees employment and a place of employment which are free from recognized hazards that are causing or are likely to cause death or serious physical harm to his employees." (Section 5 of the Occupational Safety and Health Act, Public Law 91-596)

As the "catch-all" section of the law, the General Duty Clause can be used when no specific OSHA standard exists for a workplace hazard. Many new hazards have received OSHA recognition under this clause.

The second part of OSHA coverage contains specific health and safety standards that the Secretary of Labor authorizes OSHA to enact. There are literally hundreds of OSHA standards limiting workers' exposure to chemicals, dust, noise, unsafe machinery, etc. For information on current OSHA standards, visit the agency's website at www.osha.gov.

Safety and Health Grievances

Grievances can be filed when an employer violates a specific OSHA standard or the General Duty Clause for failure to provide a hazard-free workplace. A grievance also can be filed over a violation of a safety and health clause in a contract.

If a steward believes an unsafe condition exists, he or she should first request the employer to correct it. It is not necessary to prove the situation is an actual OSHA violation.

If the employer refuses, consider what information, you, as a steward, need to determine if an OSHA violation exists. Here are some of the types of information the employer should provide if requested:

Material Safety Data Sheets—These are facts sheets that are supplied by the maker of all chemical agents. They explain the possible hazards the chemicals might present.

Accident Reports—Let the stewards know if there have been problems previously.

Copies of any **previous OSHA citations**.

Any **studies** done by the employer concerning the suspected hazard (air quality studies, noise studies, studies of health problems, etc).

A steward also can call the nearest federal or state OSHA office and request information. Explain the problem and why it appears to be a health or safety violation. Ask the agency to check and see if there is an OSHA standard being violated.

Labor Day Is a Time to Tell the Truth About Jobs

For some reason we still celebrate Labor Day, though corporations are downsizing, labor unions are losing membership, and the stock markets rises when people get fired. Those of us who still have jobs, or want to, wonder whether anyone in charge cares about labor any more

"Of course we care," our leaders say, and indeed they talk about jobs all the time. They defend everything they want to do (or not do) on the basis of jobs. We have to clear-cut the forests to save logging jobs. An energy tax would save 200,000 jobs. NAFTA, the free trade agreement with Mexico, will produce 400,000 U.S. jobs.

But do these job promises ever come true? Are 400,000 jobs a lot or a little, on the national scale? Should we believe the constant "job talk," or is it just hot air?

When I start wondering about quesitons like these, I turn to the numbers.

There are 127 million working people in this country, of whom 7.6 million hold two jobs. About 38 million jobs are only part-time. And 35 million year-round full-time jobs don't pay enough to support a family.

The official number of unemployed is 7.3 million, but the real number is about twice that, if you count folks who have given up looking and those who can only find part-time jobs.

Thirty million of us hold professional jobs, including: 1.8 million engineers; 401,000 scientists; 871,000 doctors; 2.3 million other health-care workers; 765,000 college professors; 3.9 million teachers; 756,000 lawyers.

(Continued on page 7)

Labor News Digest, July 2002 Copyright 2002, JAIMC Inc.

Labor History—Lewis Hine: Documentation of Child Labor

"There is work that profits children, and there is work that brings profit only to employers. The object of employing children is not to train them, but to get high profits from their work." -- Lewis Hine, 1908

After the Civil War, the availability of natural resources, new inventions, and a receptive market combined to fuel an industrial boom. The demand for labor grew, and in the late 19th and early 20th centuries, many children were drawn into the labor force. Factory wages were so low that children often had to work to help support their families.

The number of children under the age of 15 who worked in industrial jobs for wages climbed from 1.5 million in 1890 to 2 million in 1910. Businesses liked to hire children because they worked in unskilled jobs for lower wages than adults, and their small hands made them more adept at handling small parts and tools. Children were seen as part of the family economy.

Immigrants and rural migrants often sent their children to work, or worked alongside them. However, child laborers barely experienced their youth. Going to school to prepare for a better future was an opportunity these underage workers rarely enjoyed. As children worked in industrial settings, they began to develop serious health problems.

Many child laborers were underweight. Some suffered from stunted growth and curvature of the spine. They developed diseases related to their work environment, such as tuberculosis and bronchitis for those who worked in coal mines or cotton mills. They faced high accident rates due to physical and mental fatigue caused by hard work and long hours.

By the early 1900s many Americans were calling child labor "child slavery" and were demanding an end to it. They argued that long hours of work deprived children of the opportunity of an education to prepare themselves for a better future. Instead, child labor condemned them to a future of illiteracy, poverty, and continuing misery. In 1904 a group of progressive reformers found the National Child Labor Committee, an organization whose goal was the abolition of child labor.

The organization received a charter from Congress in 1907. It hired teams of investigators to gather evidence of children working in harsh conditions and then organized exhibitions with photographs and statistics to dramatize the plight of these children. These efforts results in the establishment in 1912 of the Children's Bureau as a federal information clearinghosue. In 1913, the Children's Bureau was transferred to the Department of Labor.

Lewis Hine, a New York City schoolteacher and photographer, believed that a picture could tell a powerful story. He felt so strongly about the abuse of children as workers that he quit his teaching job and became an investigative photographer for the National Child Labor Committee.

Hine traveled around the country photographing the working conditions of children in all types of industries. He photographed children in coal mines, in meat packing houses, in textile mills, and in canneries. He took pictures of children working in the streets as shoe shiners, newsboys, and hawkers. In many instances he tricked his way into factories to take the pictures that factory managers did not want the public to see. He was careful to document every photograph with precise facts and figures.

To obtain captions for his pictures, he interviewed the children on some pretext and then scribbled his notes with his hand hidden inside his pocket. Because he used subterfuge to take his photographs, he believed that he had to be "double-sure that my photo data was 100 percent pure—no retouching or fakery of any kind." Hine defined a good photographs as "a reproduction of impression made upon the photographer which he desires to repeat to others." Because he realized his photographs were subjective, he described his work as "photo-interpretation."

Hine believed that if people could see for themselves the abuses and injustice of child labor, they would demand laws to end those evils. By 1916, congress passed the Keating-Owens Act that established the following child labor standards: a minimum age of 14 for workers in manufacturing and 16 for workers in mining; a maximum work day of 8 hours; prohibition of night work for workers under age 16; and a documentary proof of age.

Unfortunately, this law was later ruled unconstitutional on the ground that congressional power to regulate interstate commerce did not extend to the conditions of labor. Effective action against child labor had to await the New Deal. Reformers, however, did succeed in forcing legislation at the state level banning child labor and setting maximum hours. By 1920, the number of child laborers was cut to nearly half of what it had been in 1910.

Lewis Hine died in poverty, neglected by all but a few. His reputation continued to grow, however, and now he is recognized as a master American photographer. His photographs remind us what it was like to be a child and to labor like an adult at a time when labor was harsher than it is now. Hine's images of working children stirred America's conscience and helped change the nation's labor laws. Through this exercise of free speech and freedom of the press, Lewis Hine made a difference in the lives of American workers and, most importantly, American children.

Weingarten Rights—Employee's Rights to Union Representation

Employees have Weingarten rights only during investigatory interviews. An investigatory interview occurs when a supervisor questions an employee to obtain information that could be used as a basis for discipline or asks an employee to defend his or her conduct.

If an employee has a reasonable belief that discipline or other adverse consequences may result from what he or she says, the employee has the right to request union representation. Management is not required to inform the employee of his/her *Weingarten* rights; it is the employees responsibility to know and request.

When the employee makes the request for a union representative to be present management has three options:

- It can stop questioning until the representative arrives.
- It can call off the interview.
- It can tell the employee that it will call off the interview unless the employee voluntarily gives up his/her rights to a union representative (an option the employee should always refuse).

Employers will often assert that the only role of a union representative in an investigatory interview is to observe the discussion. The Supreme Court, however, clearly acknowledges a representative's right to assist and counsel workers during the interview.

The Supreme Court has also ruled that during an investigatory interview management must inform the union representative of the subject of the interrogation. The representative must also be allowed to speak privately with the employee before the interview. During the questioning, the representative can interrupt to clarify a question or to object to confusing or intimidating tactics.

While the interview is in progress the representative can not tell the employee what to say but he may advise him/her on how to answer a question. At the end of the interview the union representative can add information to support the employee's case.

Labor Day is a Time to Tell the Truth About Jobs

(continued from page 5)

Farming, forestry, and fishing occupy 3.4 million of us.

Eight million are machine operators and assemblers. Average real wages for these production workers in 1993 were less than what they were in 1973.

In retail trade there are 19 million of us who earn less than \$10,000 a year, mostly with no benefits. Our 1.1 million bank tellers and clerks earn an average of \$8.19 per hour and are rapidly being replaced by machines.

Numbers like these raise doubts about the assertions that welfare recipients can just go to work. It would take five million jobs to get all abled-bodies adults off welfare. Two million adults already work full-time and remain at poverty level. If work is the solution to poverty, and I hope it is, then it's going to take more than preaching and punishment to get everyone at work.

We hear constant talk about how big government is, but only three million people—two of every hundred workers—hold non-defense federal jobs, and only one in eight of them work in or around Washington, D.C. The rest issue passports, process social security checks, patrol national parks, ensure aviation safety, and so forth, all over the country.

Nine million people work on the military side of the government, but they aren't targeted when loud voices say there is too much government. In fact those loud voices have a strange selective perception of "jobs." They think it's great, for example, to spend tax dollars to subsidize weapons exports. Every \$1 billion in such subsidies creates 16,000 jobs. But spending that much on mass transit would create 30,000 jobs; spending it on housing would create 36,000 jobs; on education 41,000; on health care 47,000.

Have you noticed that when the discussion is about mass transit, education, or health care, the loud voices stop talking about jobs and start talking about affordability? We can afford weapons jobs, but not jobs fixing up schools. We can afford \$300 billion a year in subsidies to roads and drivers, but almost nothing for railroads. (When Congress last cut the Amtrak budget, it destroyed 5,500 jobs.)

Just wait, growth will make jobs, they say. But we've had enormous economic growth since 1979, while one third of American households experienced at least one job loss, and two-thirds of the fired workers could only find another job at lower pay.

That's OK, they say, downsizing increases profits, which makes growth in the future. And so in the last five years our large companies have fired, on average, 10-20 percent of their workforce. Just five companies—IBM, AT&T, GM, Sears, and GTE—laid off a total of 324,650 workers between 1991 and 1994. Each of those unemployed workers cost the government an average of \$29,000 in benefits and tax loss.

And, guess what. Not even half the downsized companies realized increased profits. They realized headaches. The corporate press is now full of articles about how to deal with the remaining workers, who tend to be inexperienced, overloaded, and—surprise!—not loyal to the company.

And NAFTA seems to be producing a net loss of U.S. jobs, and when enviros stopped much of the logging in Oregon, the unemployment rate went down.

I'm sorry, but I've stopped listening to what people in power say about labor. I think they knowingly use "jobs" as a code word, meaning "money for me, but I'm pretending it's money for you." And I suspect that they haven't any idea how, really, to put to use the energy and talents of the people of America so we can do what just about everyone of us longs to do—produce work we can be proud of, while earning enough to support ouselves and our families.

Global Citizen, Dartmouth College, Hanover, NH 03755

Labor News Digest, July 2002	Copyright	2002,	JALMC :	Inc.