

# Live Bait & Ammo #115: In Defense of American Workers

*If you had an opportunity to address Congress about the Auto Bailout as a rank & file UAW member, what would you say? Would it go something like this?*

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I am not testifying before Congress today to request that American taxpayers loan Detroit automakers 25 billion dollars so they can close factories and permanently layoff thousands of workers. I am not here to support the Detroit automakers' intention to import half the vehicles they sell in the United States as do foreign competitors like Toyota, Honda, Kia, Nissan, Volkswagen, and Mercedes. I am not here to advocate that American workers compete for the lowest wages in the world. Quite the opposite. I think we should compete for the highest.

I stand before you to advocate for a National Industrial Policy that supports and sustains the expansion rather than the destruction of the middle class. I stand before you to advocate for an industrial policy that strengthens our economy, strengthens our national security, and makes the American Dream of a higher standard of living attainable for an ever expanding number of citizens. I am here to advocate that Congress recognize that the working class is the backbone of this nation, that the success of our nation as a whole depends on the health and well being of our most valuable natural resource, the American worker.

In the last thirty-five years the income of American workers has declined precipitously while prices for health care, education, housing, food, and energy have steadily increased. Americans are working more hours with fewer vacation days than any other modern industrialized nation. Even though we are working longer and harder, our incomes are not keeping up with inflation. Fewer and fewer American workers have pensions or health insurance. America, once known as a nation that took pride in its expanding middle class, today, has a reputation for degrading workers and pursuing a competitive race to the bottom.

Some members of Congress propose that the best solution for the Detroit automakers is bankruptcy. They propose that the automakers should dispose of their obligations to retirees, as if retirees were somehow unworthy of the deferred compensation they earned with steadfast loyalty and honest labor. If Congress sanctions the refusal to honor contracts, it will become a defining moment in the history of our nation, a moment of legislative infamy.

Civil societies rely on trust not treachery. Civil societies rely on government to restrain predatory capitalists and to mediate class conflict. If the highest legislative body in the nation endorses contempt for contractual commitments, where will it end, and who can be held accountable? Such a precedent will not stop with autoworkers. Every retiree and every working person who hopes to retire will feel threatened by the willful destruction of contractual agreements.

Historically, unions have had a positive impact on our society and our economy. When unions negotiated improved wages and benefits, they expanded the middle class and set a standard that lifted all workers. The expansion of the middle class created a vibrant economy that benefited business and government. Business reaped the rewards of an upwardly mobile workforce. In turn a growing economy enriched the tax base and allowed government to lower tax rates for businesses and wealthy investors.

When unions negotiated pensions and health care for retirees, it was considered deferred compensation. Workers sacrificed higher wages in return for a secure retirement. The companies passed the cost on to consumers, but the companies' didn't invest those higher profits in a trust that would provide for retiree health care. Instead they indulged themselves and their shareholders. Corporate malfeasance should not be rewarded with a Congressional pardon.

If companies are allowed to break contracts, the debt will be passed on to taxpayers in the form of social welfare. If government assumes responsibility for all or part of those expenses, it will, in effect, charge the consumer twice. Once, when he purchased the car, and a second time, when he is taxed to compensate for the companies' misappropriation. CEOs should not be allowed to justify increased prices as an incumbent expense of a union contract, then pass on the cost to taxpayers when the bill comes due.

I am a UAW member, but I would be remiss if I did not speak up for our brothers and sisters at Toyota and the other transplants. The workers at foreign transplants in the United States do not have a defined pension. They have a 401-k. They have seen the value of their retirement savings destroyed by unscrupulous and irresponsible financial policies, or the lack thereof, through no fault of their own. Workers at the transplants do not have health insurance in retirement. They will be forced out of work by injury or company policy before they are eligible for Medicare. They too deserve a national industrial policy that respects their service.

Foreign automakers have the advantage of national health care for workers in their home countries, but in the United States they treat workers like disposable commodities. They work them till they hurt them, then they throw them out the door.

My advocacy for a national industrial policy that insures retirement in dignity is not limited to union members. All American workers deserve health care and security in retirement equal to or better than that enjoyed by workers in Europe and Japan. The United States should raise the standard, not pursue a race to the bottom.

I am not here to ask Congress for a handout, but rather a well deserved hand up. It is imperative that we rescue the flagship industry of our manufacturing base. Our economic health and our national security are at stake. But it is not fair to bailout the privileged and neglect the plight of the average worker. Medicare for All as advocated in John Conyer's bill HR-676 is the one remedy that would unilaterally address the unfair competition that plagues manufacturing in the United States. HR-676 would help all employers, all workers, and all consumers.

Furthermore, any bailout that is not contingent on job creation would damage our economy. America needs a vibrant middle class and a revitalized industrial base to stabilize our economy and strengthen our national security. Any bailout that supports the innovative malaise in our industrial sector or rewards companies for investing overseas while simultaneously breaking contracts with American workers is tantamount to sabotage.

I am not here to apologize for workers who constitute the backbone of America. We have never failed. I am not here to beg on behalf of the men and women who fought the wars, built the roads and bridges, manufactured the goods, delivered the services, and transported every conceivable product from its origin to its destination. I am here to demand the respect and dignity we deserve.

For too long Congress has legislated in favor of capital over labor. The preference has not served our national interests. As Abraham Lincoln said in his first annual message to Congress in 1861, "Labor is prior to, and independent of, capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. Labor is the superior of capital, and deserves much the higher consideration."

The Detroit automakers need a bridge loan to survive the current credit crisis. But another bailout that neglects the working class would be a fatal mistake. We will not survive the world wide recession afflicting our economic security if we fail to defend the people who have never failed their nation.

Stay Solid, Gregg Shotwell

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Thirty-nine state AFL-CIO federations, over 100 Central Labor Councils and 400 local unions have endorsed HR-676, John Conyer's "Expanded and Improved Medicare for All" bill. [[www.johnconyers.com/healthcare](http://www.johnconyers.com/healthcare)] The first step is to unite the huge reservoir of support for single payer in thousands of local unions and labor bodies. To take that step, a number of labor federations and unions are planning a national meeting of labor organizations that support HR 676, "Medicare for All," to be held in St. Louis on January 10, 2009.

Labor for Single-Payer Healthcare Meeting

January 10-11, 2009

The Crowne-Plaza - Downtown St. Louis

For additional information> [www.laborforsinglepayer.org](http://www.laborforsinglepayer.org)

or contact Organizing Committee Coordinator Mark Dudzic at 201-314-2653 or [mdudzic@igc.org](mailto:mdudzic@igc.org)