



Restoring the American Dream

Building A 21st Century Labor Movement that Can Win

America's unions have a critical mission to perform in restoring the American dream for working families in the 21st century.

Job insecurity is now a permanent feature of work in America. Living standards for the majority are falling. Health and retirement security are being eviscerated and destroyed. Government regulations and laws designed to ameliorate the effects of the "free market" have been undermined or done away with. Workers who fight back are illegally fired.

Our desire to build an effective response to this assault unites our unions — the Laborers, Teamsters, UNITE HERE, and SEIU — in a call to build a stronger labor movement that will create a new era of hope and progress for American workers.

The labor movement has been one of the most successful economic, political, and social movements in history. When 1 in 3 American workers had a union, a union card and a union contract brought opportunity, dignity, and a decent standard of living to generations of American workers. Now, fewer than 1 in 12 private sector workers has a union, and a century of progress is under attack. Unrestrained corporate power is stripping workers of their voice in the workplace, undermining the economic well being of working families, and destroying the integrity of government. Only active and growing unions, uniting workers in their respective industries and occupations, can empower workers sufficiently to restore the American dream of economic security and a government responsive to the needs of working people.

Our unions share a common commitment to uniting millions more workers with us as the top priority on the labor movement's agenda. As the recent election shows, even our maximum political efforts fall short for the simple reason that we are too small. We believe that our movement can and must organize and grow on a mass scale *today*, because that is the only way to bring true change in the direction of our nation.

We are confident that American labor's resources are sufficient — if properly aligned and leveraged — to serve as the economic and organizational foundation for a new movement to successfully organizing the millions of workers who hold out hope for the American Dream. And we are certain that if we do not act quickly and decisively, our strengths will be squandered and it will be decades before they are recovered.

Our unions stand for investing the maximum resources possible to build a movement of working people that can confront and restrain corporate power in both the workplace and the community. We do not believe our nation's political course can change fundamentally unless more working people belong to unions. We believe that the only way to generate truly meaningful political outcomes is to empower working people through organization. A pro-worker political consensus in America will emerge only when millions more American workers belong to unions.

Unions are the primary means by which working people unite to win a better life. But in order to be effective *today*, unions must adapt to the global economy of the 21st century. The status quo will not provide the hope and direction that workers need and seek. The organization needed to engage millions of workers in a fight for a better future requires dramatic and meaningful change in the way the labor movement as a whole operates and engages the struggles of our day. And that requires a change in the operations and orientation of the AFL-CIO.

A revitalized and restructured labor federation is one of the key ingredients needed to:

- Rebuild workers' economic and political strength
- Bring unity to the movement.
- Serve as the voice of working people to the public and in the political process.
- Promote the ideas and values of unionism and social solidarity.
- Provide a means to resolve differences that may arise among unions.

Reforming the AFL-CIO is a crucial step in building a democratic movement that:

- is optimistic, far-sighted and impatient in its efforts to win justice and opportunity for all working people.
- derives its strength from the involvement and support of its members and provides a voice for all workers.
- fights to protect and extend the basic rights and security of the American people — from health care to retirement security to fair labor standards to public education and the right to a job.
- engages working people throughout the country, from North to South, East to West, and gives voice to the economic interests of all workers, regardless of political party, religious affiliation, or views on social issues.
- is capable of confronting corporate power at all levels and winning real gains for workers.
- is politically independent and undertakes political action in whatever forms make a difference in the lives of workers.
- draws strength from the racial, ethnic, and gender diversity of its membership at all levels, and which stands tall in the fight against all forms of bigotry and discrimination.
- is global in its outlook, strategies, and alliances.

Essential Functions of the Federation

A new federation must operate on a sound financial basis by performing essential functions in an efficient manner.

Planning, directing, staffing, and executing programs for organizing, bargaining, representing, and mobilizing workers are primarily the responsibilities of affiliated unions according to their respective jurisdictions. Incentives for unions unable to effectively perform these functions should be developed to encourage them to merge with other unions with similar jurisdictions to unite workers' strength within industries or crafts.

The federation's primary responsibilities are to:

- Provide central coordination for movement-wide activities.
- Perform essential functions that unions cannot execute with sufficient effectiveness on an individual basis.
- Establish and enforce rules that unite workers bargaining strength.

We see the federation's essential movement-wide functions as:

- Political and legislative action.
- Public communication.
- Legal action.
- National and global coalitions to engage large employers
- Capital strategies and corporate and economic research.

The Federation should be funded and staffed to the level necessary to fulfill these functions. Generally, coordination and information are the functions of the federation, and action and implementation are the functions of the affiliates.

An Agenda for Worker Strength

The following five-point Agenda for Worker Strength is a program for immediate action by the entire labor movement that we believe will put working people on the path to restoring the American dream.

1. Uniting Workers for Economic Strength

Central to the mission of the federation is to stimulate and focus on union organizing activities to bring the maximum number of workers together along industry or occupational lines. Workers identify with each other according to their industry or occupation, and the impact of worker economic action is increased as the percentage of union members is increased within an industry or occupation.

- **Use incentives to focus unions on uniting workers in core industries.** More of the national labor movement's resources must be directly devoted to the task of bringing millions of new workers into the labor movement. The AFL-CIO budget must be used to create incentives for unions to increase their organizing and focus on uniting workers in their core industries in order to maintain and build bargaining power. We believe that *half* of what unions now pay to the AFL-CIO should be rebated to unions that have a strategic plan and commitment to organizing in their core industries based on the formula outlined in the Teamster proposal.¹
- **Actively support mergers that unite workers by industry.** Many AFL-CIO affiliates do not have the resources or strength to effectively take on large employers that are driving standards in their industries or to help workers organize on a large enough scale in their industries. Economies of scale and the elimination of duplication of effort are critical to building new strength for working people. The AFL-CIO should play an active and direct role in working with affiliated unions to facilitate mergers – subject to approval by the affected members — that lead to increased power for workers in the same or complimentary industries. A proactive, industry-based merger policy – whose goal is to build worker bargaining power — will give workers the chance to unite their strength *before* overwhelming economic and political forces have weakened their unions to the point that it may be too late for mergers to make much difference.

- **Strategically leverage labor’s existing bases of industry strength.** The AFL-CIO must assume the role of the overall coordinator of labor’s efforts to unite workers to build bargaining strength. It means identifying lead and dominant unions by sector, industry, employer, market, and, where appropriate, craft, along with the responsibilities that go with it. It means that industry or area bargaining standards need to be made central to the inter-union dispute process and central to labor’s efforts to focus resources for maximum impact on building worker power. It means that rules must be updated and revised to reflect the pressing need for organized labor to deter the “race to the bottom” caused by employers seeking to use one affiliate as a means of protection from another, and to encourage unions to devote precious resources to building power in core industries and coordinate bargaining. Where multiple unions have members in the same industry, industry in a market, or employer, the AFL-CIO will facilitate coordinated bargaining. Affiliates undercutting bargaining standards should suffer penalties.
- **Make the AFL-CIO the strategic center for a permanent campaign to take on powerful anti-worker employers and help workers unite their strength in new growth sectors.** The assault on the American dream is being led by huge nonunion global corporations like Wal-Mart. Such low-road employers are generally too large for the members of any one or two affiliates to deal with on their own. Well-funded, movement-wide campaigns are required to make low-road employers respect their workers’ freedom to form unions. These employers exist both in affiliates’ current core industries and in the new growth sectors that are redefining the industrial relations landscape in America. The AFL-CIO is the appropriate vehicle for leading this campaign, together with the lead unions in the affected industries. We support the creation of a dedicated fund of \$25 million out of the current AFL-CIO to finance large, multi-union movement-wide campaigns directed at reversing the Wal-Marting of our jobs and our communities by large low-road employers.
- **Make growth and worker power our political focus.** Worker political power comes from our membership. Our unions’ members are as active as any in America in grassroots political action. Based on recent experience, however, we do not believe working people can win consistently on political issues until many more workers are in unions. To empower workers politically we must have a growth agenda to build larger, stronger and more effective workplace organizations. Increased political spending without a program for growth will not lead to either increased power for workers in the workplace or in politics.

In order to attract workers to our movement, labor’s political program must be meaningful and relevant to the needs, interests, and concerns of American workers, union and non-union. Our program must be workplace-centered, worker-oriented, and independent of any party or candidate. Our purpose is to be the voice of workers in the political process, not the voice of politicians or parties to the workers. Our political priority is to promote and protect the right of workers to have a voice. The right of workers to organize is the foundation for the meaningful exercise of all other rights. At the core of our program is support for legislative and political action that provides support for the right of workers to organize.

The AFL-CIO’s political program at the local, state, and national levels should have as its highest priority encouraging public officials to actively support workers who are trying to form unions, as well as to support the maintenance and growth of union jobs. A public official’s track record of action on these issues should be a central factor in the support of all kinds that he or she receives from union members.

Labor’s political program must be fully aligned with our organizing and growth program. This means that labor must have as a strategic objective developing a bi-partisan coalition for worker rights and union job issues like preserving Davis Bacon. At a minimum, those politicians of either party who support the union-busting agenda of the Right to Work Committee, the Associated Builders and Contractors, or any other similar organization should face rebuke from all unions affiliated with the AFL-CIO regardless of their stand on other issues.

The AFL-CIO needs to develop a strategic growth and political plan focused on critical swing states that

will make the difference in changing the direction of our nation, and to which state and local bodies and affiliates are held accountable. In this regard, we note that an increase in union density in the State of Ohio, for example, from 16% to 26% would have put John Kerry in the White House.

- **New Standards of Accountability and Governance.** The decline of the labor movement will not be reversed because of the good work of a few affiliates. If labor as a whole is to grow the AFL-CIO must be the movement's strategic growth center. In order for that to happen its governance model must be changed. First, democratic change requires the creation of a streamlined Executive Committee comprised of the largest unions that represent most AFL-CIO members and are responsible for uniting workers in the major sectors of the economy, with several additional rotating seats to ensure diversity. The Executive Committee would oversee strategic planning and exercise such responsibilities as approval of budgets, resource allocations, and staffing. This Executive Committee should meet four times a year; the AFL-CIO's Executive Council should meet two times a year.

An AFL-CIO that is more than the sum of its parts, not one that is governed by a lowest common denominator formula should be our objective. Financial and organizational accountability and openness must be the operating principal of a new AFL-CIO. Ongoing senior level staff meetings between unions on issues of AFL-CIO policy must take place between meetings of principals. Only in this way can we develop an AFL-CIO that is more than the sum of its parts, generate real involvement of the affiliates in setting the direction of the labor movement as a whole, and generate multi-union coordination around key initiatives.

The effectiveness of each union has a direct impact on the effectiveness of other unions as collective bargaining and legislative precedents are set in one area and then spread throughout the economy. The AFL-CIO must establish and enforce standards in such areas as bargaining, strategic industry plans and results; political fundraising and participation by members and their families, workplace organization, among others.

- **Leadership Committed to Building a Movement that Can Win.** The AFL-CIO needs leadership that is committed to the kind of fundamental restructuring of the federation that we are proposing. Our unions will support leaders who aggressively support fundamental change.

2. Reflect and Represent all American Workers.

A strong and democratic labor movement is one that embraces the diversity of the American work force. And a strong and democratic labor movement is one that delivers for all workers, including new immigrants, minorities and women. Unions must reflect today's workforce if we are to unite millions more workers and restore the American Dream.

The AFL-CIO must make diversity at all levels of the labor movement a central strategic objective with standards and timetables, including ensuring that the diversity of the membership is reflected in membership participation, elected leadership, staff, training opportunities, event speakers, and conventions and other decision-making bodies. The ultimate goal should be to ensure diversity in all of the mainstream functions of the movement, rather than to treat diversity as a separate and isolated program.

The AFL-CIO must also play the leading role in the movement to defend the rights of immigrant workers to join a union and be protected on the job. This means taking the lead in the movement to ensure that hard-working, taxpaying immigrants have a clear path to legalization.

3. Make Workers' Money Work for Working Families.

Union members have a huge amount of financial resources between consumer purchases, pension funds, insurance programs, and other funds. The AFL-CIO must take the lead in pursuing the consolidation of union financial strength in order to generate increased resources for building workers' strength in dealing with big corporations

- **Union Member Purchasing Power.** While our current Union Privilege program is successful, we are not close to fully tapping the potential to be derived from consolidating union member purchasing power as a way to produce resources to unite more workers with us, win affordable health care, retirement security, and immigration reform, and convince standard-setting employers to respect their workers and the communities where they operate.
- **Capital Strategies.** We also support an even more aggressive capital strategies program at the AFL-CIO to ensure that union members' health and pension fund resources are invested to benefit working people.
- **Accountability.** We support more openness and accountability with regard to AFL-CIO finances and a greater commitment to financial integrity. A trade off between spending on politics and organizing, as some have posed the issue is not required. Rather, the AFL-CIO can increase resources for both politics and organizing by cutting bureaucracy and eliminating functions that should be performed by, or paid for directly by, the affiliates.

4. Unite Workers Strength Across Borders.

The central thrust of AFL-CIO work in international affairs must be developing united strategies and actions by AFL-CIO affiliates and unions around the world to ensure that global corporations respect workers' freedom to form unions and negotiate agreements that raise living standards toward their highest level. Wal-Martization is a global phenomenon, and a global approach is required. We must expand the AFL-CIO's international orientation toward global campaigns against anti-union employers as a means for building worker power. As part of this effort, we need to build global labor unity to fight for trade agreements that improve labor, worker rights, and environmental standards instead of dragging them down in a "race to the bottom."

5. Lead a Campaign for Health Care and Retirement Security.

Labor must take the lead in a campaign to unify the broadest number of working people, capture the imagination of the nation, and build a broad coalition to win affordable, quality health care and retirement security for all. National health care is the central jobs and economic security issue of our era. Winning access to affordable, quality care for everyone in America would have the biggest positive impact on the economic security of the American people of any campaign in generations and would once again place the labor movement at the forefront of progressive change. At the same time, fewer and fewer workers are able to retire in dignity in America today. Social Security and defined benefit pension plans are under assault. The ideas of health and retirement security are at the heart of the American Dream. The labor movement needs to build a mass campaign to win affordable health care and retirement security for all.

(Footnotes)

¹ *A variation on the rebate program needs to be developed in craft and project based industries such as construction.*