A stronger labor movement = economic growth = a stronger USPS

Last month, I reported on how the fragile recovery from the Great Recession has helped the Postal Service return to profitability—even though Congress has not seemed to notice, judging by the kind of legislation being proposed. Perhaps a stronger recovery would bolster the USPS enough to convince some politicians to abandon their misguided plans to push for even greater downsizing and service cuts. But a sustainable recovery requires even stronger job growth and rising wages. More must be done to make that happen.

Indeed, unemployment remains stubbornly high (7.3 percent) and a recent report issued by the University of California concluded that wage stagnation, which has characterized the American economy for more than a generation, worsened during the recent recovery. Between 2009 and 2012, average family income (adjusted for inflation) grew by just 6 percent in the United States.

But even that number hides a more alarming reality: Almost all the income growth (95 percent) is going to the richest 1 percent of American families. Their incomes have risen by 31.4 percent since 2009 while the remaining 99 percent of families experienced average income growth of just 0.4 percent over the past four years—or just 0.1 percent per year! This trend not only undermines the middle class in America, it also poses a direct threat to letter carriers and the health of the Postal Service.

As I have said many times in recent years, the Postal Service cannot thrive unless the American economy grows, and strong growth requires broadly shared prosperity that will lead Americans to buy goods and services from growing paychecks, not growing credit card debt. When that happens, the volume of mail and packages will surge and our jobs will become more secure.

Just how we go about turning things around was the focus of the AFL-CIO’s quadrennial convention in Los Angeles. I was proud to represent the NALC along with Secretary-Treasurer Jane Broendel and seven other fantastic NALC branch leaders who were elected by our convention in 2012. Several hundred delegates and guests heard from fierce advocates of workers’ rights, including new Secretary of Labor Tom Perez, who gave the most pro-union speech from a government official I have ever witnessed. I met personally with him and know that we have a true ally in the Obama administration as we fight for postal reform and other Department of Labor issues.

We also heard from Sen. Elizabeth Warren (D-MA), who has already made a name for herself in Washington fighting the greed on Wall Street and defending the rights of consumers and workers. Her support for the Postal Service and rebuilding the middle class is second to none. And Nobel Prize-winning economist Joseph Stiglitz delivered a powerful speech outlining the danger posed to American economic growth by rising inequality. You can see all of these speeches on the AFL-CIO website (www.aflcio.org).

I want to highlight a couple of the most important themes. First, there was a recognition that the labor movement has to change. It is not enough to push for the reform of our terrible laws on organizing. We also must broaden our appeal to American workers in general by focusing on issues that affect all working people, not just organized workers, and by supporting new forms of representation for workers even before we organize them into traditional unions. Second, we decided that the labor movement must become part of a larger democracy movement with other progressive organizations to combat voter suppression and the dominance of corporate money in our political system. Both of these steps are necessary to restore the middle class and build the economy from the middle out, not from the top down.

Here, I want to focus on the first theme. Organized labor has always fought for all working people. Without the labor movement, there would be no unemployment insurance, Social Security, Medicare or workers’ compensation. These pillars of a civilized labor market are important to all workers—and unions have always led the fight to improve and protect these programs. But as the percentage of Americans who belong to unions has declined over the past 50 years, a whole new kind of labor market has developed that requires new campaigns and new forms of worker organizations.

There are 20 million American workers who are classified as temps or independent contractors, ranging from taxi drivers and computer programmers to nurses and accountants, even though they are employees by any rational definition. That’s more than the total number of unionized workers in America. There are also 11 million undocumented immigrants who work in the United States but who have few worker rights or civil rights.

At this convention, the labor movement decided that we must fight for these workers and help the kind of not-quite-union organizations that have sprung up to represent them—organizations like OUR Walmart and the National Taxi Workers Alliance, as well as the dozens of worker centers for day laborers that have emerged around the country. Helping them raise their pay and benefits will improve the labor market and boost growth, and will pave the way for the creation of new unions in the future. And that’s exactly what the AFL-CIO decided to do in L.A. by opening our federation to affiliation with such groups.

The AFL-CIO is moving in the right direction, and the NALC must be there with our brothers and sisters in other unions to meet the challenges of the new century. I have no doubt that we will.

Fredric V. Rolando