



MWV Union Council

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U.S. Jobless Claims Drop Unexpectedly

The number of newly laid-off workers filing claims for unemployment benefits declined unexpectedly last week, another indication that the job market may be healing as the economy slowly recovers.

The Labor Department said last Thursday that new claims for unemployment insurance fell by 22,000 to a seasonally adjusted 432,000, the lowest since July 2008. That was much better than the rise to 460,000 that Wall Street economists had expected.

The four-week average, which smoothes fluctuations, fell for the 17th straight week to 460,250, the lowest since September 2008, when the financial crisis intensified. The crisis led to widespread mass layoffs, which sent jobless claims to as high as 674,000 last spring.



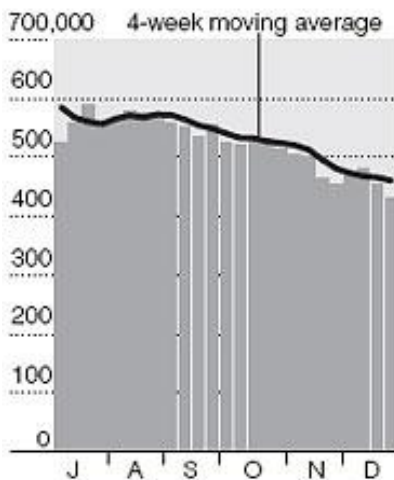
Economists closely monitor initial claims, which are considered a gauge of the pace of layoffs and an indication of companies' willingness to hire new work

The number of jobless workers continuing to claim benefits dropped 57,000 to 4.9 million, also better than the increase that analysts expected.

But the so-called continuing claims do not include millions of people who have

Jobless Claims

Weekly number of people who have filed for unemployment benefits for the first time.



Source: Labor Department, via Bloomberg

used up the regular 26 weeks of benefits typically provided by states and are receiving extended benefits for up to 73 additional weeks, paid for by the federal government.

About 4.8 million people were receiving extended benefits in the week ended December 12th, the latest data available, an increase of 200,000 from the previous week. The rise is partly a result of another extension of benefits by Congress in November.

Among the states, Michigan had the largest increase in claims, with 8,382, which it attributed to layoffs in the auto industry. California, Florida, Iowa and Missouri had the next largest increases. The state data lags behind initial claims by one week.

Tennessee had the largest decrease, of 2,972, followed by Illinois, Pennsylvania, Georgia and North Carolina.

The Associated Press, emphasis and graphic added



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AFL-CIO news service, graphic(s) added

Frank on GritTV: Laws Tilted Against Forming a Union on the Job: In a recent edition of GRITtv, host Laura Flanders brings together three panelists for a talk about the economy, the labor movement and political organizing. In one of the highlights of this episode, Thomas Frank, author of *The Wrecking Crew*, does a great job of explaining our broken labor laws and how they're preventing millions of workers from exercising their basic freedom to form a union: *You've got to remember that one of the reasons it's so hard to organize in the workplace is that there's a whole industry out there that has developed to stop people from organizing. There are polls all the time asking, "Would you like to join a union," "Would you be interested in bargaining with your boss," that sort of thing, and mostly, people think that's a good idea—but that doesn't mean you get to have a union just because you want one. There's a whole bunch of structural impediments in your way.*



Richard Trumka: Wishing You Strength and Solidarity in 2010: The holiday season is a time to step back from the daily grind, relax with family and reflect on the future. This year was a tough one for workers. In times like these, we appreciate more than ever the love and support of our families and our unions. This holiday season, I am especially grateful for the support of my family and the solidarity of our union family. Union members have always been an essential part of my family. We share strong values that guide us—compassion for the less fortunate, commitment to fight oppression, the joy of giving and solidarity of purpose. As the New Year begins, I am committed, along with the entire labor movement, to making these values the cornerstone of the policies that guide our nation. If we stay true to our guiding values, we will rebuild our economy on a new and stronger foundation and come back stronger than ever. That is why we are fighting for an economic recovery that will create millions of good jobs that pay a decent wage and that reaches Main Street where working people and small businesses need help. And for affordable health care for everyone and an Employee Free Choice Act that lets people freely choose to join a union to make their lives better.



New Season for Union Member Adventures in ‘Escape to the Wild’: Illinois Firefighter (IAFF) Greg Curry’s elk-hunting adventure in some of Colorado’s most breathtaking countryside kicks off the fourth season of “Escape to the Wild” on VERUS Country. The season premiere of the show, which takes union members on once-in-a-lifetime hunting and fishing adventures, will air Sunday, Jan. 3, at 9:30 a.m. EST. The show is a union-sponsored television series of the Theodore Roosevelt Conservation Partnership (TRCP).

“Escape to the Wild” is supported by the Union Sportsmen’s Alliance (USA), a joint venture of the TRCP and 21 unions to promote conservation and access for hunters and anglers. While the show chronicles each union member’s outdoor adventure, it also gives viewers a look into the lives of the winners—their struggles, their triumphs and their commitment to their union, families and the outdoors.



Caring for Retired Race Horses, Rehabing People: For most of us, the world of thoroughbred horse racing begins and ends with the Triple Crown, those few weeks in the spring when the world’s best

horses run in the Kentucky Derby, the Preakness and the Belmont stakes. But beyond the glamour that gilds the top of the horse-racing world, there’s a dirty secret that tarnishes racing’s carefully crafted image—the fate of the run-out and worn-out horses at the bottom-rung tracks far from Churchill Downs or Pimlico. Every year, thousands of horses are shipped across U.S. borders to slaughterhouses in Canada or Mexico, while thousands more are neglected, abused or abandoned.



Mentors Training Next Generation of Union Leaders: When Royetta Sanford retired as director of the Electrical Workers (IBEW) Human Services Department, she did not stop working to improve the lives of working people. Instead, she has begun to train the next generation of union leaders. Sanford has volunteered to share her knowledge and experience to mentor Carrie Meyers-Herron, a recipient of the Union Leaders of the Future Scholarship. Says Sanford: *I’m mentoring because I*

feel it is one of the only ways we can move forward getting women and minorities in the mainstream of the labor movement. This is a great, well-organized program with some real bright talent, a lot of people with capacity to be good leaders. I want to give back to the movement and do whatever I can to make it stronger and more diverse.



Ironworker Creates Sportsmen's Oasis for 911 Responders with Disabilities:

John Sferazo, a retired member of Ironworkers Local 361 from Brooklyn, N.Y., was one of the first responders after the tragedy of Sept. 11, 2001. Like many of the firefighters, police officers, reservists and other union members who worked in the devastation of the bombed out World Trade Centers, Sferazo suffered psychological and physical damage, including the loss of more than one-third of his breathing capacity. But despite his adversity, Sferazo is actively working to build a top-rated wildlife and nature program in Maine, which he is opening for hunting to veterans and first responders with disabilities. In 2000, Sferazo, a member of the Union Sportsmen's Alliance, purchased a parcel of land in Maine known as Owen's Marsh. A former asphalt plant, the site had been reclaimed, including the construction of a dam, which created a deep-water marsh. Five weeks after Sferazo purchased the property, the dam breached, releasing a 73-acre wall of water.



Start Your After-Christmas Shopping at The Union Shop Online™:

So you thanked Aunt Tillie for the psychedelic tie and didn't roll your eyes when you opened the fuzzy Batman slippers with blinking lights from your kids. But if you cringe at the thought of day-after Christmas, door-buster crowds at the big-box stores and malls, you can flesh out your gift stash or get ahead of the birthdays on your gift list at the AFL-CIO The Union Shop Online. It's still winter out there and there is a wide range of warm weather gear, sweatshirts, fleece jackets and more. If you want to keep you noggin warm, there's a nifty Working America knit ski cap. For the kids—don't hold the slippers against them—check out the picture book, *Kid Blink Beats the World*, by Don Brown. In the summer of 1899, hundreds of newsboys and girls who sold Randolph Hearst's *The Journal* and Joseph Pulitzer's *The World* on New York City streets went on strike over a penny. Led by Kid Blink and others, they refused to sell the papers, staged rallies and finally brought the newspapers to the negotiating table. Click here for more kids' stuff.



Kids with Cancer Get Winter Wonderland from Building Trades Union Members:

The children at Boston's Dana-Farber Cancer Institute's Jimmy Fund Clinic are enjoying a jollier holiday celebration than usual, thanks in part to the more than \$27,000 union construction and trades workers collected for the institute's annual Winter Wonderland. The donation helped deck out the more than weeklong Wonderland for children being treated for cancer and included visits from Santa, gifts, arts and crafts and holiday meals. The workers are building a 14-story, 275,000 square foot, state-of-the-art outpatient clinic and research center next to the Jimmy Fund Clinic. The Yawkey Center for Cancer Care is set to open its doors in early 2011. This fall, Mike Morgan, with Plumbers and Pipe Fitters (UA) Local 537, posted a flier on the job site asking the workers to donate an hour of their salary to the kids at the clinic. The money started rolling in, and the donations are continuing, says Morgan.



Five SAG Lifetime Achievement Winners Featured in Film Marathon:

One night before the Screen Actors Guild (SAG) honor Hollywood's finest performers, Turner Classic Movies (TCM) will pay tribute to five actors who won SAG's highest honor: the Life Achievement Award. TCM's four-film prime-time presentation airs Friday, Jan. 22, 2010, the night before a live broadcast of the 16th Annual Screen Actors Guild Awards—the nation's largest and only nationally televised all-union awards show. TCM's tribute will

begin at 8 p.m. EST with the 1935 comedy short "Tit for Tat," starring Stan Laurel, who received the Life Achievement Award in 1963. Next up, Jack Lemmon, who was honored by SAG in 1989, stars in the Neil Simon comedy "The Out-of-Towners" (1969). Sidney Poitier, honored in 1999, and Ruby Dee, honored in 2000, star in the dramatic adaptation of Lorraine Hansberry's play "A Raisin in the Sun" (1961). And the night closes out with 1998 honoree Kirk Douglas in the suspenseful Western "Last Train from Gun Hill" (1959).



Senate Passes Health Care Bill: The Senate passed health care reform by a 60-39 margin shortly after 7 a.m. on Thursday, December 24th. While passage of this legislation continues the momentum for health care reform, the Senate bill itself doesn't live up to the kind of reform we need. The bill has many positive features, but it falls short in three key areas:

- It is paid for by a tax on working families' health benefits.
- It fails to provide a public health insurance option, which would control costs by giving insurance companies real competition.
- It does not do enough to make sure employers are living up to their responsibility.

AFL-CIO President Richard Trumka said: *For this health care bill to be worthy of the support of working men and women, substantial changes must be made. The AFL-CIO intends to fight on behalf of all working families to make those changes and win health care reform that is deserving of the name. The House bill is the model for genuine health care reform. Working people cannot accept anything less than real reform.*

The New Decade: Billionaire Bailouts Or Progressive Resurgence?



We just got a glimpse of the future and it ain't pretty.

Over the past decade Wall Street went on a reckless betting spree that nearly ruined us. First, they gambled their way into enormous riches based on absurd financial instruments that turned toxic, They paid themselves lavishly, went bust, and then forced the taxpayers to cover all their bad bets. After begging for and receiving the largest welfare package in history, their record profits and bonuses are miraculously returning, while the (BLS U6) jobless rate hovers over 17 percent. Thankfully, that's over and done with.

Or is it? Too-big to fail is now our official policy: The nineteen largest financial institutions that comprise two-thirds of our banking system have been declared permanent fixtures. Our leaders talk of reining them in and of collecting fees to help pay the cost of future bailouts. But, talk is cheap and campaign contributions are always welcomed.

Clearly, we've got a tough decade ahead. What will be our greatest economic challenges?

The Jobs Shortfall

The Wall Street crash tore a gaping hole in the economy, destroying more than eight million jobs. The unemployment rate is likely to remain painfully high for years. If Krugman and Stiglitz are correct about a possible double dip recession in second half of 2010, then more job loss is coming. Right now there are about 30 million Americans who want full-time jobs that aren't there. (Remember you are not counted as unemployed if you work as little as one hour a week).

Unfortunately, we are relying on trickle down economic growth to produce jobs, and it is failing us. The theory goes like this: First we resurrect the financial sector by giving it all the cash it wants. After the banks are solvent again they are supposed to lend money to jobs-creating businesses. To kick-start the engine, we also provide a stimulus program.

Then it all comes together to create growth, and jobs will trickle down to those who need them.

It is much more likely that coming decade will show the highest average unemployment rate since the Great Depression. I hate to make predictions but here's one you should find a bookie to cover: to save face the government will redefine full-employment from four percent to more like six or seven percent. Full-employment will be a dream deferred.

We need to face up to the fact that the private sector may never again provide sufficient jobs for all who are willing and able to work. Perhaps an even bigger challenge is to support the idea that the government (state, local, federal) should become the employer of last resort. We are going to need something like a Works Progress Administration (a "Caulkers Corps"?) to put our people to work.

The Greening of the Economy

There's a lot of loose talk about how we can create millions of new jobs by switching over to renewable energy and toxic-free production. Certainly, we've taken baby steps with mandatory renewable portfolios and by encouraging energy efficiency. But we're nowhere near a green renaissance and we're in danger of shipping many of these jobs abroad.

So far it seems that jobs involving installation and maintenance of renewable energy systems – grids, wind mills and solar installations will be performed by U.S. workers. Similarly, jobs relating to weatherizing homes and businesses also should remain local. But unless we take specific steps to nurture green industries, most of the manufacturing of wind mills and solar panels will take place in low wage countries. This could cost us millions of potential jobs.

The challenge is whether we can master the "free trade-protectionism" conundrum. Virtually every other nation in the world finds ways to protect its vital jobs-producing industries. Why not us?

Re-building the Middle Class

Not only do we need millions of new green jobs, but also we need jobs that pay well. Over the past three decades the average real wage of the non-supervisory production worker (a group that includes about 70 percent of all American workers) declined by 18 percent. With this decline has come a progression of increases in work and increases in household debt – from one wage-earner families to two wage earners to increased work hours to increased debt. The incomes of the average worker must be increased. But how?

It once was the case that that productivity increases inevitably led to real wage increases. That's no longer true. Those two trends have split apart starting in the mid-1970s, and now the lions share of the productivity increases go to the super rich (See The Looting of America Chapter 2).

Supposedly, our great hope, we are told, is to become more educated so that we can move up to new higher wage jobs in advanced technology industries. That seems to be working well for perhaps the top 10 percent of us. But even those jobs are in danger of being transferred to low-wage economies that also have well educated workforces. The sad fact is that the more we rely on market forces alone, the more we will get a hollowed out middle class.

We should encourage rising wages through increasing the minimum wage and through facilitating unionization. But, the greatest challenge will be to create an industrial policy (as all other countries do) that actually supports our most promising and vital industries.

Wall Street Madness

Unless you're Rip Van Winkle, you've probably noticed that Wall Street is up and running again, and up to its usual tricks. The bankers are creating new fantasy finance securities. They are speculating on every market they can rig. They are engaged in barely lawful, high speed trading schemes. Record profits and outrageous bonuses are returning and yet banks still aren't lending to the real economy. Meanwhile they have deployed an army of lobbyists to water down each and every proposed regulation that might disrupt their elaborate casino games and outrageous profits.

During the upcoming decade we've got to put an end to this mess or we'll be bailing them out again and again. Wall Street is fundamentally broken. Fixing it will require a heavy hand. Relying a Rube Goldberg-like regulations pieced together under the watchful eyes of bank lobbyists won't work. Our fundamental choice is to break up the nineteen largest financial institutions into much smaller entities or to nationalize them.

Taxing billionaires to rebuild our infrastructure

Our most fundamental public systems, from education to the energy grid, will need to be rebuilt over the next decade. Where will the money come from?

It should come from the billionaire class that has more wealth than anyone could possible need or use. The point is not to do away with all inequality. That's part of the human condition. But our current distribution of wealth is the result of policies – from tax breaks for the super rich to the deregulation of the financial sector. For 30 years we've facilitated the accumulation of wealth in the hands of the few. Forgive me for repeating one of my favorite statistics: In 1970 the ratio of the compensation of the top 100 CEOs compared to the average production worker was 45 to 1. By 2006 it was an astounding 1,723 to one.

There is no rational way to justify that accumulation – no economic theory can account for it. It has no connection to education or skill or entrepreneurship. It's a debilitating distortion of our economy.

In the next few years the deficit hawks will rule the roost and tell us that we can't afford to rebuild our country. But we can if and only if we are willing to tax the wealthy.

How much money do billionaires have? More than we can possibly imagine. The top 400 richest Americans alone have a net worth of about \$1.27 trillion (and that was after the crash and before the recent run-up of the stock market.) If we had the political will to reduce their net worth to only \$100 million each, (Think they could get by on that?) you could raise about 1.2 trillion for our infrastructure – enough to provide free tuition for every American attending two or four year public colleges and universities — in perpetuity!

Our challenge is to get over the idea that we're a pauper nation and can't afford new shoes. The money is here but in the hands of a tiny elite. Getting it deployed for productive uses for our society as a whole will be an enormous challenge.

Resurgent Republicans and Building a Progressive Economic Movement

If unemployment stays high, voters are likely to vote in a Republican Congress which means we get gridlock or more “market-oriented” economic efforts that are sure to fail. Progressives have to pick up the pieces and lead the challenge to the financial elites and the billionaire bailout society.

What will that take? It starts with the creation of a new economic agenda that speaks to mainstream Americans. What are we for? Do we want to break up banks? Nationalize them? Regulate them? Do we want to get rid of the Fed? Go back to gold standard? Eliminate fractional banking? Do we want caps on obscene salaries? Do we want the government to create jobs or do we want to subsidize business to do it? Do we want a wealth tax?

It's time that our progressive infrastructures (unions, churches, community organizations, environmental groups etc.) got together to formulated a common program, and then rigorously test it with the American public. Either we get our act together soon, or we will watch the Tea Party capture all of the pent up anger and frustration.

It's up to us to depict a compelling alternative to a world run into the ground by financial elites. Even trying and failing is better than leaving the decade as we started it: wards of the billion bailout society.

It's not a lost cause, only a very difficult one. Let's toast to our willingness to try.

Les Leopold
Author "The Looting of America"

