9% unemployment — more jobs exported than created in the U.S.

Just 7% of private sector workers have bargaining rights

Bargaining rights, pensions and health care of public workers under attack

Middle class incomes grow just $300 a year over the past 30 years

Corporate profits in 2010 hit $877 billion

Many corporations don’t pay taxes
Reclaim the American Dream

The United States is in the grip of an increasingly right wing economic and political agenda. It didn’t start yesterday. For decades, groups like the U.S. Chamber of Commerce have pushed an agenda that today threatens working families. Jobs keep going overseas, states keep looking to cut critical services, opportunity seems just about gone. Real wages were higher 35 years ago despite huge gains in productivity. “All you need is markets.” That’s the 19th century business ideology that much of corporate America has adopted for the 21st century.

The Chamber of Commerce and its allies see the union movement as a political obstacle to these plans. That’s why, since the early 1980s, workers, bargaining rights and their unions have been under attack. It started with private sector workers but as we’ve seen this year, public workers are facing the same onslaught.

These attacks are coordinated and financed by some of the biggest companies and wealthiest families, and they’re getting a great return on that investment. Is this a cynical view? Yes. Is it true? Yes. It is a time of polarization in our nation, but also a time of great excitement. With all of labor working together, and with our allies in the progressive community, there surely is a way to turn this around.

CWA is partnering with green groups like Sierra Club, human rights groups, civil rights groups like the NAACP, with thousands of CWAers joining the Sierra Club and NAACP.

In Ohio, CWA led in creating a new coalition — Good Jobs and Strong Communities — an organization of unions, green, progressive and other groups determined to fight back and win.

Working people want a path to bring back social and economic justice. That’s why our agenda remains good jobs, health care, retirement security, bargaining rights, and restoring democracy in America.

Changing the Senate rules and restoring democracy to the U.S. Senate is key to winning any real national change for working families. We’ve been working with Common Cause not only to fix the broken Senate rules but on real campaign finance reform that will restore democracy to our elections.

In America, elections aren’t supposed to be for sale. But In Canada, Arnold Amber

Across the country, CWAers are standing up for bargaining rights and economic justice. Below are NJ CWA members; right are Oklahoma CWA activists.
The American Dream used to mean something

U.S. Companies are Investing in New Jobs, Just Not in the United States

Since 1999, U.S. multinational corporations created 2.4 million jobs overseas. During the same period, they cut 2.9 million jobs in the United States. Today, U.S. companies are sitting on $1.93 trillion in cash that’s carried on their balance sheets, instead of investing in U.S. jobs, according to AFL-CIO Executive PayWatch. That’s more bad news for the 25 million unemployed and underemployed Americans.

2001: Enron bankruptcy leads wave of corporate corruption.

Remember the outrage that Enron caused? Executives Ken Lay and Jeffrey Skilling were headed for prison because of insider trader, conspiracy and fraud.

Result: No lessons learned from the Enron debacle. In fact, despite losing billions of dollars in the sub-prime mortgage scandal of their own making, Wall Street bankers and executives got $14 billion in bonuses. And no one is going to jail. Wall Street got a government bailout to keep our economy running, but refused to lend money to business- es that needed it. That made the Great Recession even worse.

2001: The richest 1 percent of Americans get a $477 billion tax break over 10 years.

Government assistance for the wealthiest Americans took a big turn in 2001, when the richest 1% percent of Americans got 52% of the first round of tax cuts.

Oh, and corporate taxes were slashed, while companies figured out even more ways to not pay any tax.

Result: Over the last 25 years, the bottom 80% of Americans, have seen a 7% overall decrease in

(Continued on page 7)
Republican lawmakers showed up at Missouri’s capitol in January with a wish list of anti-union, anti-worker bills. They had little to show for it when they returned home in May, a huge victory for CWAers and allies.

The coalition kept a phone bank going until the legislature’s final hours, blocking a bill that would have stopped payroll deduction of public workers’ union dues. A right-to-work bill had died earlier, and bills on project labor agreements, prevailing wage laws, even an attempt to roll back child labor laws — were among many that failed.

“We feel like we stopped a speeding train that was headed right at us,” said Bradley Harmon, president of CWA Local 6355, which represents 7,000 state workers.

Thousands of people, from CWA and other unions, retirees, students and progressive allies, rallied in force at the state capitol early in the session. When CWA members headed back to Jefferson City for Lobby Day they were joined by the Sierra Club and the NAACP. Coalition members later began knocking on doors and making phone calls, ultimately routing 5,000 calls to lawmakers from voters angry about the attacks on workers.

“The relationships we’re building are fantastic,” Harmon said. And he knows that’s critical because, “We anticipate that we will have to fight every one of these fights again next year.”

Good Jobs. Strong Communities: You can’t have one without the other. That’s the message that Ohio CWA members and a diverse, growing coalition of allies are hammering home as they fight to overturn the state’s new law stripping collective bargaining rights from public workers.

Their high-octane campaign began with overflow protest crowds at the state capitol as Republican leadership rushed Gov. John Kasich’s anti-union bill through the Legislature. And that was just the beginning. Rallies and marches are keeping the media and public focused on how much is at stake, and a petition campaign for a referendum on the bill is in full swing.

Standing-room-only training sessions taught CWA members and hundreds of other activists how to legally collect petition signatures. We have until June 30 to submit 231,000 valid signatures for a November referendum that will let voters decide the fate of the law. More than 214,000 people signed in just the first month, including a Republican state senator who voted against the bill.

If polls are any indication, Kasich and his anti-union agenda are in trouble: In May, 54 percent of Ohioans surveyed said the law should be repealed, with only 36 percent wanting to keep it.

The CWA-founded coalition, “Stand Up for Ohio: Good Jobs and Strong Communities,” is reaching out all over the state. Martin Miller, a Local 4322 member and municipal public works employee said it’s a concept people seem to understand. “Without collective bargaining, there will be an immeasurable ripple effect of negative consequences on middle class as well as our communities,” he said. “We are all connected in more ways than people realize.”
When Wisconsin Gov. Scott Walker announced his intention to strip collective bargaining rights from public workers — and threatened them with the National Guard if they didn’t like it — he set off a firestorm of outrage that was soon getting worldwide attention.

For weeks, union members, non-union workers, students, retirees, even angry Republicans, rallied by the thousands inside and outside the statehouse. As the GOP first attempted to push through Walker’s bill, the Senate’s 14 Democrats left the state to prevent a quorum and stop the vote.

As the Democrats tried to negotiate from a distance, Republicans maneuvered to pass the bill without a quorum or a proper hearing. In late May, a state judge ruled they’d broken the public meetings law, and that the new anti-union law was void. Not only has Christie ignored it, he’s refusing to bargain with CWA over health care. The current state worker contract is set to expire June 30. CWA filed charges with the state’s Public Employment Relations Commission in May, and newspaper editorials told Christie that CWA members deserve better.

In both the House and Senate, the GOP had more than enough votes to pass any bills it wanted. But CWA members and other union activists never gave up. Their solidarity and tireless work at the capitol stopped Republicans from voting in lockstep, preventing two major anti-union bills from becoming law.

One bill would have ended automatic payroll deduction of public workers’ union dues and another aimed to decertify bargaining units that fall below 50 percent active membership.

In the end, the collective voice of police, firefighters, teachers, other public workers and private unions in the coalition was too much for lawmakers to ignore.

We know we’ll be fighting the battle again next January, and we will be ready. “The strength of our unity coalition, our mobilization to educate our members and our elected representatives, and the relationships we’ve built with worker-friendly Republicans paid off,” said CWA Local 3179 President Steve Sarnoff. “We’ll continue to build our power and redouble our efforts.”
Working families in three New England states don’t have to look far to see what a difference a governor makes.

In Vermont, Governor Pete Shumlin has signed the country’s first single-payer universal health care law, saying it’s time “to treat health care as a right and not a privilege.” CWA members lobbied, testified and rallied for the new law.

In New Hampshire, Governor John Lynch vetoed and strongly condemned a “right to work” (for less) bill passed by the GOP-controlled legislature, whose leaders are still trying to gather enough votes to override the governor. Lynch obliterated arguments for the anti-union law, saying it would only hurt New Hampshire. As a former CEO and now seven years as governor, “I have never seen the so-called right-to-work law serve as a valuable economic development tool,” he said.

Then there’s Maine. Pursuing anti-union legislation, including “right to work” and attempts to roll back child labor laws, wasn’t enough for new Governor Paul LePage. He picked a fight that put him in the national news by ordering the removal of a Labor Department mural depicting workers and the state’s labor history. The mural was “not in keeping with the department’s pro-business goals,” the governor’s spokesman said.

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LePage continues to pursue his anti-worker agenda as aggressively as ever, to the point of interfering in New Hampshire’s business. He has publicly called for the neighboring state legislature to override Lynch’s right-to-work veto. Meanwhile he’s pushing Maine’s legislature to pass a bill ending payroll deduction of union dues. On June 2, 600 union members and their allies protested at the statehouse.

Those allies included the mayor of Lewiston, Maine, who appealed directly to LePage: “Governor, who was born in my hometown, if it is about people before politics, these are the people you need to be supporting.”

With just three days left in a legislative session that had largely been free of the workers’ rights battles being waged in other states, Colorado’s GOP-led House slipped in a bill that would end collective bargaining for public employees.

Even though the state’s Democratic-led Senate was unlikely to follow suit, CWA and other unions weren’t taking anything for granted.

It took the collective voice of angry voters and the courage of legislators who left Indiana for five weeks. But ultimately, Republicans dropped a so-called “right to work” bill and made other concessions in their anti-worker agenda. CWA members were among thousands of people who filled the Indiana statehouse in the early days of the legislative session, sending a strong message to lawmakers and Gov. Mitch Daniels.

Daniels tried to drive a wedge between public and private employees. He was even quoted as calling public workers “the privileged elites.”

But as Local 4900’s Angie Schritter described, Daniels failed. “I was fortunate to be part of the rallies and to see all of my brothers and sisters, union and non-union unite in this fight,” she said. “My neighbors, my friends, all of us had the same fears. This isn’t just a union fight, it’s a middle-class fight.”

In late February, 38 Indiana House Democrats took a page from the “Wisconsin 14” and left their state to prevent Republicans from ramming anti-worker bills through the legislature. With a deal in hand, they returned at the end of March, greeted by hundreds of grateful constituents saying, “Thank you.”

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That meant the House, split 33-32 in favor the GOP, would be a vote short.

“IT GOES TO SHOW HOW IMPORTANT OUR PERSONAL CONTACT WITH LEGISLATORS IS, AND WHAT WE CAN ACCOMPLISH WHEN WE NEVER GIVE UP,” LOCAL 7777 PRESIDENT LISA BOLTON SAID.
The American Dream used to mean something

(Continued from page 3)

income. The bottom 50% of American households has an average annual income of about $25,000. And many big corporations don’t pay any taxes; some even get a tax rebate.


Wall Street’s sub-prime mortgage scandal brought about an $8 trillion economic crisis.

Result: Financial markets, consumer spending and business investment collapsed, and massive job loss followed. From 2008-2009, 8.4 million jobs were lost, or 6.1 percent of payroll employment.

2010: U.S. Supreme Court ends limits on corporate election contributions; spending hits all-time high.

In January 2010, the Supreme Court’s Citizens United decision eliminated all limits on corporate campaign contributions and permitted direct corporate contributions to candidates. This decision reversed a century of law that will allow special interests, including foreign corporations, to spend without limit in our elections. American elections shouldn’t be bankrolled by America’s most powerful interests, or worse, by foreign entities. They should be decided by the American people.

Result: The 2010 midterm election campaign was the most expensive in history, with the total cost expected to exceed $4 billion. Hundreds of millions of dollars were spent by “independent” groups that don’t have to disclose their donors. Groups like American Crossroads and Crossroads GPS, two organizations founded by Republican activist Karl Rove, already are promising to raise and spend $120 million in 2012.

The Citizens United decision took away the transparency our nation needs in terms of how election dollars are spent, so that corporations and the wealthy can’t get away with hiding behind phony front groups.


The financial crisis has taken its toll on state and local governments. Of course, nurses, public safety officers, public workers and librarians didn’t cause the economic meltdown, and public workers already contribute to their health care and pensions. Extremist politicians, from New Jersey to Ohio to New Mexico, have been working overtime, using the financial meltdown as an excuse to attack collective bargaining rights, wages, health care and other benefits of public sector workers.

Result: Workers lose their union voice. Pensions and health care for public workers are being slashed. Communities are losing quality services and jobs.

Corporate America, paving a downward economic slide

By Harold Meyerson
Wednesday, January 5, 2011

The city on a hill and the last, best hope of mankind has entered a new period in its history. We are now America, the downwardly mobile.

The problem isn’t due to the recession. Would that it were. The decade just concluded is the first in which Americans, on average, have seen their incomes decline. Median household income increased by about $4,000 per decade in the 1980s and ’90s: from $42,429 in 1980 to $46,049 in 1990 to $50,557 in 2000 (in 2007 dollars). In 2009, the most recent year for which we have figures, it had declined to $49,777 — but 2009, of course, was a year of deep recession. If we go back to the peak year of the last decade, 2007, we find that median household income was just $50,233 — roughly $300 less than it had been in 2000.

Until the housing and financial bubbles burst, of course, we enjoyed the illusion of prosperity through the days of wine and credit. Now we stand on unfamiliar terrain in which almost all the signs of long-term economic health point downward. Our private sector isn’t creating jobs at a rate commensurate with our increasing population, much less at a level to significantly reduce unemployment. The share of our civilian population employed has dropped to 58.2 percent — the lowest level since the early ’80s, when far fewer women had entered the workforce.

This grim new reality has yet to inform our debate over how to come back from this mega-recession. Those who believe our downturn is cyclical argue that job-creating public spending can restore us to prosperity, while those who believe it’s structural — that we have too many carpenters, say, and not enough nurses — believe that we should leave things be while American workers acquire new skills and enter different lines of work.

But there’s a third way to look at the recession: that it’s institutional, that it’s the consequence of the decisions by leading banks and corporations to stop investing in the job-creating enterprises that were the key to broadly shared prosperity.

Our multinational companies still invest, of course — just not at home. A study by the Business Roundtable and the U.S. Council Foundation found that the share of the profits of U.S.-based multinationals that come from their foreign affiliates had increased from 17 percent in 1977 and 27 percent in 1994 to 48.6 percent in 2006. As the companies’ revenue from abroad has increased, their dependence on American consumers has diminished. The equilibrium among production, wages and purchasing power — the equilibrium that Henry Ford famously recognized when he upped his workers’ pay to an unheard-of $5 a day in 1913 so they could afford to buy the cars they made, the equilibrium that became the model for 20th-century American capitalism — has been shattered.

Making and selling their goods abroad, U.S. multinationals can slash their workforces and reduce their wages at home while retaining their revenue and increasing their profits. And that’s exactly what they’ve done.

Our economic woes, then, are not simply cyclical or structural. They are also — chiefly — institutional, the consequence of U.S. corporate behavior that has plunged us into a downward cycle of underinvestment, underemployment and under-consumption. Our solutions must be similarly institutional, requiring, for starters, the seating of public and worker representatives on corporate boards. Short of that, there will be no real prospects for reversing America’s downward mobility.

The American Dream used to mean something

Winners and Losers — You Decide

Here’s a snapshot of how government policies have affected corporations, the wealthy and the rest of us.

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<th>Corporations and CEOs</th>
<th>The Wealthy</th>
<th>The Rest of Us</th>
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<td><strong>Income</strong></td>
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<td>CEOs earn 343 times the median workers’ pay. It’s the largest pay gap in the world.</td>
<td>The average income for the top 1 percent of U.S. households rose more than 230 percent in the past 30 years. That’s an increase of nearly 8 percent a year.</td>
<td>Middle class incomes have grown by just $300 a year over the past 30 years. From 2000 to 2007, median household income fell by $300.</td>
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<td><strong>Taxes</strong></td>
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<td>Many profitable corporations, including Exxon Mobil, Bank of America, Chevron, Goldman Sachs and GE, paid no taxes for 2009. Some even got a tax rebate.</td>
<td>More than half of the tax relief passed by Congress in 2001 went to families earning more than $1,000,000 a year. Over the ten-year program, $477 billion went to the richest 1 percent of Americans.</td>
<td>Average first year tax cut for taxpayers making $50,000 or less was $11. The average first year tax cut for those making $50,000-$100,000 was $77.</td>
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<td><strong>Retirement</strong></td>
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<td>CEOs negotiate generous employment agreements for themselves that include pensions and health care coverage for life.</td>
<td>The wealthy rely on generous pensions and investments. Social Security is the major source of income for 54 percent of retirees. The average Social Security benefit for a retired worker is $14,154.</td>
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<td><strong>Jobs</strong></td>
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<td>In 2009: U.S. corporations created 2 million jobs overseas and cut 5 million jobs in the United States.</td>
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Who Pays Taxes? Not America’s Richest Companies

Listed below are the top 10 corporate freeloaders, as compiled by Senator Bernie Sanders (I-Vt.).

1. Carnival Cruise Lines over the past five years made more than $11 billion in profits, but its federal income tax rate during those years was just 1.1 percent.
2. ConocoPhillips, the fifth largest oil company in the United States, made $16 billion in profits from 2007 through 2009, but received $451 million in tax breaks.
3. Citigroup last year made more than $4 billion in profits but paid no federal income taxes.
4. Chevron received a $19 million refund from the IRS last year after it made $10 billion in profits in 2009.
5. Boing got a $124 million refund from the IRS last year.
6. Valero Energy, the 25th largest company in America with $68 billion in sales last year received a $157 million tax refund check from the IRS.
7. Goldman Sachs in 2008 only paid 1.1 percent of its income in taxes even though it earned a profit of $23.3 billion.
8. Exxon Mobil made $19 billion in profits in 2009 and paid no federal income taxes. It did receive a $156 million rebate from the IRS.
9. General Electric made $26 billion in profits over the last five years and not only paid no federal income tax, it got a $4.1 billion refund.
10. Bank of America got a $1.9 billion tax refund from the IRS last year, though it made $4.4 billion in profits.

More Attacks on Working Families

CWA and lots of allies are fighting back against this corporate assault that is destroying the middle class. We’re working with allies like Common Cause to restore democracy to our election process, with the NAACP and other civil rights organizations for economic justice for all and with the Sierra Club and other green groups to build the sustainable communities that will support secure, quality jobs. We know we can’t do it alone.

But consider what’s at stake if we don’t turn back this attack. Everything the union movement has worked to achieve for middle class and working families.

Jobs

“The House Republican Plan for America’s Job Creators,” just released in May, reads like a corporate wish list. Because it is.

Here’s the plan:

- **Cut “Burdensome” Regulations** that are hurting job creation.
- **Cut Corporate Taxes** so corporations can be more competitive.
- **Implement More Free Trade Agreements** because the deals with Colombia, Panama, and South Korea will help U.S. companies create “jobs on our shores.”
- But we say: Republicans are holding up votes on these deals because they don’t want to fund the Trade Adjustment Assistance program that helps workers who lose their jobs because of offshoreing.
- **Cut Non-Defense Government Spending** by more than $6 trillion over the next ten years.
- But we say: two-thirds of those cuts target programs like education grants; investments in jobs to repair our roads, bridges and other infrastructure; development of green technology; veterans’ programs; law enforcement; food stamps and other benefits that families rely on everyday. And then there’s the JOBS Act, a bill introduced in the House and Senate in May that encourages states to cut jobless benefits and weakens our unemployment insurance system.

Connect the Dots

Medicare

The House Republican budget would end Medicare in 10 years. There’s no way to disguise that fact. The plan to give seniors vouchers and force them to individually negotiate with private insurance companies that can raise rates and deny coverage means an end to Medicare and the peace of mind it has made possible for millions of retirees, and their children.

The Congressional Budget Office found that for 2011, the cost of insuring a 65-year-old Medicare beneficiary in a private health insurance plan would be 12.3 percent higher than in the traditional Medicare program, because private insurers have higher administrative costs and higher payments to providers. By 2022, when the plan to end Medicare would take effect, the CBO projects that private insurance costs will be 38.9 percent higher than traditional Medicare coverage. Medicare exercises its purchasing power to keep payments under control, while costs in the private sector continue to rise. And Medicare covers all seniors; private plans can exclude whomever they want.

Source: Center on Budget and Policy Priorities, Center for American Progress and House Republican Plan for America’s Job Creators

**Electoral Notice for RMC Members**

The nomination period for the CWA Retired Members’ Council Executive Board for the 2012 term will begin Aug. 1 and run through Oct. 31. All RMC lifetime members are eligible to run for office. For more information, visit www.cwaretirees.org or write to RMC, 501 Third St., N.W., Washington, D.C. 20001-2797