# Auto Industry DA

**Strikes severely damage the auto industry.**

**McElroy 19** [John McElroy. Editorial director of Blue Sky Productions. “Strikes Hurt Everybody”. 10-25-2019. WardsAuto. https://www.wardsauto.com/ideaxchange/strikes-hurt-everybody. Accessed 11-17-2021]

But strikes don’t just hurt the people walking the picket lines or the company they’re striking against. They hurt suppliers, car dealers and the communities located near the plants.

The Anderson Economic Group estimates that 75,000 workers at supplier companies were temporarily laid off because of the GM strike. Unlike UAW picketers, those supplier workers won’t get any strike pay or an $11,000 contract signing bonus. No, most of them lost close to a month’s worth of wages, which must be financially devastating for them.

GM’s suppliers also lost a lot of money. So now they’re cutting budgets and delaying capital investments to make up for the lost revenue, which is a further drag on the economy.

According to CAR, the communities and states where GM’s plants are located collectively lost a couple of hundred million dollars in payroll and tax revenue. Some economists warn that if the strike were prolonged it could knock the state of Michigan – home to GM and the UAW – into a recession. That prompted the governor of Michigan, Gretchen Whitmer, to call GM CEO Mary Barra and UAW leaders and urge them to settle as fast as possible.

So, while the UAW managed to get a nice raise for its members, the strike left a path of destruction in its wake. That’s not fair to the innocent bystanders who will never regain what they lost.

I’m not sure how this will ever be resolved. I understand the need for collective bargaining and the threat of a strike. But there’s got to be a better way to get workers a raise without torching the countryside.

**The auto industry is key to the US economy.**

**Hill 10** [Kim Hill. “Contribution of the Automotive Industry to the Economies of All Fifty States and the United States”. 04-2010. Center for Automotive Research. https://www.cargroup.org/wp-content/uploads/2017/02/CONTRIBUTION-OF-THE-AUTOMOTIVE-INDUSTRY-TO-THE-ECONOMIES-OF-ALL-FIFTY-STATES-AND-THE-UNITED-STATES.pdf. Accessed 11-17-2021]

The United States automotive industry is a critical component of economic growth with extensive interconnections across the industrial and cultural fabric of the U.S. This report outlines many known elements and highlights tremendously important associations beyond the market space of manufacturing. It touches on the following elements as they relate to the automotive industry: national and regional employment; research, development and innovation; state and local government revenues; foreign direct investment; education; health care; U.S. trade; and quality of life.

The paper is organized into two sections: Section I provides qualitative context and current market metrics for the automotive industry, both of which are needed to truly appreciate the contributions of the industry to the broader economy and gauge where the sector may be heading; Section II features an in-depth quantitative analysis of employment and personal income associated with the automotive sector. Section II is subdivided into four primary sections to capture the distinct contributions of suppliers, assemblers, and dealers to the national economy with a final summary section that describes the state-level employment associated with the automotive industry.

The auto industry is one of the most important industries in the United States. It historically has contributed 3 – 3.5 percent to the overall Gross Domestic Product (GDP). The industry directly employs over 1.7 million people engaged in designing, engineering, manufacturing, and supplying parts and components to assemble, sell and service new motor vehicles. In addition, the industry is a huge consumer of goods and services from many other sectors, including raw materials, construction, machinery, legal, computers and semi-conductors, financial, advertising, and healthcare. The auto industry spends $16 to $18 billion every year on research and product development – 99 percent of which is funded by the industry itself. Due to the industry’s consumption of products from many other manufacturing sectors, it is a major driver of the 11.5% manufacturing contribution to GDP. Without the auto sector, it is difficult to imagine manufacturing surviving in this country.

Recently, the auto industry has fallen on tough times. However, the U.S. market is still one of the largest motor vehicle markets in the world; consequently, many automakers sell and manufacture in the U.S. In fact, many automakers make the lion’s share of their profits in North America. There has been a period of restructuring by the three U.S.-based companies in order to right-size their operations and be able to respond to this fierce competition in the U.S. market. In the latest restructuring, a bursting of the housing bubble and a collapse of the financial sector © Center for Automotive Research 2010 2 led to the current period of extremely tight credit, making it nearly impossible for companies and consumers to make investments. During this period, many supplier companies, dealerships and a couple of manufacturers found themselves fighting for survival and turning to the lender of last resort–the federal government. This led to an amazing time of public introspection concerning the value to the country of a U.S.-based auto industry.

In this paper, the authors touch on many of the factors that support the auto industry’s importance and standing in the national economy, along with an estimate of the industry’s employment and economic contribution to the national economy and to each of the 50 states and the District of Columbia. As previously mentioned, over 1.7 million people are employed by the auto industry. In addition, the industry is a huge consumer of goods and services from many other sectors and contributes to a net employment impact in the U.S. economy of nearly 8 million jobs. Approximately 4.5 percent of all U.S. jobs are supported by the strong presence of the auto industry in the U.S. economy. People in these jobs collectively earn over $500 billion annually in compensation and generate more than $70 billion in tax revenues.

**US economic decline spills over to the rest of the world.**

**Kose et al 17** [M. Ayhan Kose, Csilla Lakatos, Franziska Ohnsorge, Marc Stocker. “The Global Role of the US Economy: Linkages, Policies, and Spillovers”. 03-2017. Econstor. https://www.econstor.eu/bitstream/10419/166746/1/884608719.pdf. Accessed 11-17-2021]

The objective of this paper is to fill a gap in the literature by providing a comprehensive overview of the role of the United States in the global economy and quantifying the extent of the global spillovers from changes in U.S. growth, monetary and fiscal policies, and uncertainty in its financial markets and economic policies. Specifically, the paper addresses the following questions:

What are the major channels of transmission of developments in the U.S. economy to other countries? The United States is the world’s single largest economy: it accounts for roughly one-quarter of global output and about one-tenth of total trade flows. It is also the single largest international creditor and debtor. Given its massive size and the strength of its ties with the global economy, shocks to the U.S. economy are transmitted globally through a variety of channels, including trade, finance, and commodity market linkages.

How strong are business cycle linkages between the United States and other economies? U.S. business cycles are highly synchronized with global business cycles. Growth is often higher in the rest of the world during periods of U.S. expansions than it is during U.S. recessions. The four global recessions since 1960 all coincided with severe recessions in the United States.

How large are global spillovers from shocks originating in the United States? Shocks to U.S. growth, changes in U.S. fiscal and monetary policies, or uncertainty in U.S. financial markets or policies have significant global spillovers. For example, a surge in U.S. growth can be expected to accelerate activity in the rest of the world. Our estimates suggest that a 1 percentage point increase in U.S. growth could boost growth in other advanced economies by 0.8 percentage point, and in EMDEs by 0.6 percentage point, after one year. Investment could respond even more strongly.

In contrast, lingering uncertainty about the direction of U.S. policy could dampen activity and investment abroad. A sustained 10 percent increase in U.S. economic policy uncertainty could, after one year, reduce U.S. output growth by about 0.15 percentage point and EMDE output growth by 0.2 percentage point.

How important is the global economy for the United States? Because of its size and reach, the United States is at the center of global trade and financial networks. U.S. multinational corporations and their affiliates abroad are deeply integrated into global supply chains. Financial linkages between the U.S. and the rest of the world, including emerging market economies, have grown rapidly, widening the potential for spillovers in either direction. These two-way channels imply that, important as the U.S. economy is for the global economy, the U.S. economy is in turn affected by developments in the rest of the world.

In a highly integrated global economy, cross-border linkages translate into significant cyclical spillovers. These spillovers have material implications for all countries, irrespective of their size. Understanding these linkages and associated spillovers remains a fertile area of future research.

**Strong worldwide economy key to solving global issues such as climate change – key to preventing extinction.**

**Kassab 17** [Hanna Samir Kassab. “Prioritization Theory And Defensive Foreign Policy: Systemic Vulnerabilities In International Politics.” 02-07-2017. <https://www.google.com/books/edition/Prioritization_Theory_and_Defensive_Fore/UckWDgAAQBAJ?hl=en&gbpv=0>. Accessed 11-17-2021]

Furthermore, this work recognizes the importance of self-determination and economic development. These are not inherently bad things. Self-determination recognizes the right of a state as represented by its people to live out the destiny of their own choosing. Economic development, even from this Western modernist perspective, recognizes the value of human life and seeks to protect it through the proper and efficient allocation of resources. However, if peoples choose to withdraw into a closed community, it is their right to do so. Yet the problem remains: states and peoples are now more interconnected than ever. And so instead of remaining insular, everyone in the world has an interest to ensure the proper functioning of the international system and the tackling of the world’s problems such as global warming, the diffusion of disease and other negative public outcomes. Such matters bind the autonomy and sovereignty of peoples together in the universal need for survival. Final Words When we study International Relations from the point of view of distribution of capabilities, scholars miss other aspects of the discipline. A state’s behavior is carried out to survive against the systemic vulnerabilities described in this book. Power, driven by economic development, is the tool for neutralizing these vulnerabilities, so as to protect individuals living inside the state. Power can be considered a laundry list of resources (Waltz 2010) meant to achieve invulnerability from sources of threat. Whether from competitor states or disease and cyber-attacks, the role of power is to enhance the state’s survival ability against the odds: to decrease vulnerability. Since resources are necessary to increase resilience to threats, they are the antidote to vulnerability, and the root of power to achieve invulnerability is the economy: economic development is thus the cure for vulnerability. The stronger, more advanced the economy, the more resilient it will be to exogenous shock in the ways described. Economic gains can be transformed into power in military terms, but also provide the necessary infrastructure to deal with health, cyber, environmental and other shocks and destabilization. Since power is tied to economic matters, NEG: Economics DA Nov/Dec 2021 Champion Briefs 392 economic vulnerabilities can significantly impede power and a state’s ability to deal with threats. The financial crisis in 2008 damaged the European Union and much of the Caribbean because of their dependence on the USA. The falling price of oil is decreasing global aggregate demand as Russians do not have as much to spend. This has occurred during a period of Russian expansionism and while Eastern Europe is concerned about Russia’s military might, it must recognize the power of the world economy in terms of punishing this sort of action. Waltz focused on the distribution of capabilities as a means toward security. I look at world politics as the struggle to correct vulnerabilities in order to remain secure. Military power cannot solve such vulnerability. Enhancing invulnerability will come through economic development in a modernist perspective but threats will never be truly neutralized until all states in the system are economically developed. The economy, with all its sensitivity and vulnerability, is a source of instability for all actors.

# Work to Rule CP

**CP Text: A just government ought to guarantee a right to “Work to Rule.”**

**Work to rule** **protests serve as a viable threat that does not require strike measures to succeed.**

**Engler, ‘18** [Mark Engler is a writer based in Philadelphia, an editorial board member at Dissent, Published: 6/19/18, “There’s More Than One Way to Strike the Boss”, Jacobin, <https://www.jacobinmag.com/2018/06/strike-collective-action-work-to-rule> ] /Triumph Debate

**In late April, 130 staffers in the London office of Al-Jazeera English voted to hold a one-day walkout, planned for May 9. After the walkout, they** [**vowed**](https://www.theguardian.com/media/2018/apr/28/london-based-al-jazeera-english-staff-to-strike-over-pay) **to continue with another type of work action. Until management agreed to negotiate, the reporters, editors, and producers would continue to do their jobs, but would only do the minimum stipulated by their contract.** No responding to emails at 2 AM. No meeting sources at odd hours. No skipping breaks. **“Work to rule,” as the tactic is known, has a long history in the labor movement, but it is not commonly associated with reporters.** (“Journalists don’t take lunch breaks,” said one union member at Al-Jazeera English. “We’ll be taking lunch breaks.”) There were precedents to which the Al-Jazeera staff could look, however. **News Guild members at Reuters in New York and Washington, D.C.** [**successfully**](http://www.nydailynews.com/new-york/thomson-reuters-union-journalists-land-new-contract-article-1.3701876)[**deployed**](http://www.nydailynews.com/news/national/thomson-reuters-work-to-rule-action-workers-longer-breaks-article-1.3647092) **the tactic at the end of 2017, promptly clocking out at the end of shifts. In the case of Al-Jazeera English, the mere threat of the labor actions** [**brought management to the table**](http://www.ifj.org/nc/news-single-view/backpid/1/article/union-victory-al-jazeera-english-staff-wins-ground-breaking-pay-deal/)**.** In the past year, prominent work-to-rule actions have been launched by teachers in [California](http://www.kpbs.org/news/2018/mar/13/san-diego-unified-teachers-plan-work-rule-action-p/), [Maryland](https://wtop.com/prince-georges-county/2018/03/work-rule-protest-prince-georges-schools/), [Massachusetts](http://www.masslive.com/news/index.ssf/2017/10/chicopee_teachers_will_work-to.html), and [Ohio](http://www.wdtn.com/news/bethel-township-teachers-on-work-to-rule_20180302072951434/1003112522), with educators foregoing late-night grading, after-school meetings, and extracurricular activities in pursuit of better working conditions. **As one teacher in San Diego** [**explained**](http://www.kpbs.org/news/2018/mar/13/san-diego-unified-teachers-plan-work-rule-action-p/)**, “This is a way to show the district what our schools actually look like when educators don’t volunteer their time and give up all the extra time that they do.” Meticulously following the guidelines of the contract or the employee handbook in a workplace can end up making a lasting statement. In a factory, work-to-rule slowdowns can demonstrate how many mandated safety precautions routinely go by the wayside as management pushes for ever-greater production. In a white-collar setting, the tactic can be a means of resisting a work culture that expects employees to always be on call — holding up the radical notion that we are, in fact, entitled to a break.**

**Work to rule tactics are highly effective, maintain paychecks, and develop public support for the workers.**

**Labor Notes, ‘19** [Labor Notes is a media and organizing project that has been the voice of union activists since 1979, Published: 10/17/19, “Ways to Not Quite Strike”, Labor Notes, https://www.labornotes.org/2019/10/ways-not-quite-strike ] /Triumph Debate

**In 2003, Verizon was ready for a strike. The company was already on the hook for extra security, 30,000 scabs, and eight months of hotel rooms… when the unions decided to work to rule instead of walking out. Work to rule means adhering literally to the rules set out in the contract or the company handbook. It means skipping all the daily shortcuts and extras that you know the boss relies on to get the work done. The union distributed a fact sheet that instructed workers, “Never go by memory, check your reference material” and “Never use your own judgment—ask!” Every morning, technicians delayed the start of their day with the required 20-minute truck safety check that required two people.** They refused to take trucks out without all the cones, signs, and flags required by state and federal regulations. They followed the company protocol requiring “five points of contact” with customers before, during, and after the job—even if that meant driving back and forth between the customer’s home and the location of the problem, to give updates. **They completed their paperwork in detail. They spent extra time looking for legal parking places in busy cities where they typically parked in loading zones. Instead of borrowing a ladder from the customer, they waited for one to be delivered. Instead of making do, they drove back to the garage to pick up the special hammer they were supposed to use for a particular job. They called their managers about anything slightly tricky. The advantages over a strike were obvious. Workers kept getting their paychecks and kept building their public campaign about Verizon’s greed and its threat to “hometown jobs” and quality service. All the while, since the unions could still strike at any moment, Verizon had to keep its expensive strike contingency plan in place.** The danger is that the employer will label the tactic as a partial strike or slowdown, both unprotected by the NLRA. The union must be careful to avoid giving the employer evidence of a coordinated or orchestrated campaign. So the campaign should be conducted covertly, with no mention in union literature. Workers should not refuse direct orders. **Safety is often central to a work-torule campaign. West Coast dockworkers worked safe in the summer of 2003 while they fought a hard-line employer at the bargaining table. The dockworkers’ safety concerns were real. Five members had died on the job in the six months leading up to negotiations. The ports were extra busy that year as shippers, fearing a holiday season strike or lockout, tried to rush the work. Dockworkers pushed back by reminding each other to honor stop signs and the 15 mile-an-hour speed limit, insist on appropriate railings and earplugs, and follow protocols for operating the giant cranes. Productivity dropped dramatically. By the end of November they had a contract settlement with victories on the union’s key issues**. Working to rule has recently become a popular tactic in schools. Teachers reignited it in 2012 at Hawaii’s largest high school, just outside Honolulu. Within two weeks the tactic had spread to 51 schools across the state. On Thursdays the teachers would arrive exactly when school started—no early hours to plan lessons, make photocopies, or prepare for the day—and leave promptly when school got out—no afterschool tutoring, grading papers, lesson planning, supervising clubs, or planning homecoming or proms with students. Instead, before and after school they would gather to wave signs outside their schools, along roads, and over bridges, calling for better pay. After the morning sign-waving session they would march into the school in unison.

# Case

#### Illegal strikes solve better and aff strikes become water downed and negotiated out by the state- TURNS CASE

Reddy 21 Reddy, Diana (Doctoral Researcher in the Jurisprudence and Social Policy Program at UC Berkeley) “" There Is No Such Thing as an Illegal Strike": Reconceptualizing the Strike in Law and Political Economy." Yale LJF 130 (2021): 421. <https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy>

In recent years, consistent with this vision, there has been a shift in the kinds of strikes workers and their organizations engage in—increasingly public-facing, engaged with the community, and capacious in their concerns.[178](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref178) They have transcended the ostensible apoliticism of their forebearers in two ways, less voluntaristic and less economistic. They are less voluntaristic in that they seek to engage and mobilize the broader community in support of labor’s goals, and those goals often include community, if not state, action. They are less economistic in that they draw through lines between workplace-based economic issues and other forms of exploitation and subjugation that have been constructed as “political.” These strikes do not necessarily look like what strikes looked like fifty years ago, and they often skirt—or at times, flatly defy—legal rules. Yet, they have often been successful. Since 2012, tens of thousands of workers in the Fight for $15 movement have engaged in discourse-changing, public law-building strikes. They do not shut down production, and their primary targets are not direct employers. For these reasons, they push the boundaries of exiting labor law.[179](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref179) Still, the risks appear to have been worth it. A 2018 report by the National Employment Law Center found that these strikes had helped twenty-two million low-wage workers win $68 billion in raises, a redistribution of wealth fourteen times greater than the value of the last federal minimum wage increase in 2007.[180](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref180) They have demonstrated the power of strikes to do more than challenge employer behavior. As Kate Andrias has argued: [T]he Fight for $15 . . . reject[s] the notion that unions’ primary role is to negotiate traditional private collective bargaining agreements, with the state playing a neutral mediating and enforcing role. Instead, the movements are seeking to bargain in the public arena: they are engaging in social bargaining with the state on behalf of all workers.”[181](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref181) In the so-called “red state” teacher strikes of 2018, more than a hundred thousand educators in West Virginia, Oklahoma, Arizona, and other states struck to challenge post-Great Recession austerity measures, which they argued hurt teachers and students, alike.[182](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref182) These strikes were illegal; yet, no penalties were imposed.[183](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref183) Rather, the strikes grew workers’ unions, won meaningful concessions from state governments, and built public support. As noted above, public-sector work stoppages are easier to conceive of as political, even under existing jurisprudential categories.[184](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref184) But these strikes were political in the broader sense as well. Educators worked with parents and students to cultivate support, and they explained how their struggles were connected to the needs of those communities.[185](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref185) Their power was not only in depriving schools of their labor power, but in making normative claims about the value of that labor to the community. Most recently, 2020 saw a flurry of work stoppages in support of the Black Lives Matter movement.[186](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref186) These ranged from Minneapolis bus drivers’ refusal to transport protesters to jail, to Service Employees International Union’s Strike for Black Lives, to the NBA players’ wildcat strike.[187](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref187) Some of these protests violated legal restrictions. The NBA players’ strike for instance, was inconsistent with a “no-strike” clause in their collective-bargaining agreement with the NBA.[188](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref188) And it remains an open question in each case whether workers sought goals that were sufficiently job-related as to constitute protected activity.[189](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref189) Whatever the conclusion under current law, however, striking workers demonstrated in fact the relationship between their workplaces and broader political concerns. The NBA players’ strike was resolved in part through an agreement that NBA arenas would be used as polling places and sites of civic engagement.[190](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref190) Workers withheld their labor in order to insist that private capital be used for public, democratic purposes. And in refusing to transport arrested protestors to jail, Minneapolis bus drivers made claims about their vision for public transport. Collectively, all of these strikes have prompted debates within the labor movement about what a strike is, and what its role should be. These strikes are so outside the bounds of institutionalized categories that public data sources do not always reflect them.[191](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref191) And there is, reportedly, a concern by some union leaders that these strikes do not look like the strikes of the mid-twentieth century. There has been a tendency to dismiss them.[192](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref192) In response, Bill Fletcher Jr., the AFL-CIO’s first Black Education Director, has argued, “People, who wouldn’t call them strikes, aren’t looking at history.”[193](https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy#_ftnref193) Fletcher, Jr. analogizes these strikes to the tactics of the civil-rights movement.