**NC – Politics DA**

**The Build Back Better bill will pass now and solve the climate – full-court PC press ensures Manchinema get on board, but new fights complicate the process**

**Mascaro 11/4** [Lisa, Congressional reporter for the Los Angeles Times “Biden's big bill on brink of House votes, but fighting drags”https://www.startribune.com/bidens-big-bill-on-brink-of-house-votes-but-fighting-drags/600112896/]

WASHINGTON — Democrats in the House appear **on the verge of securing** President Joe Biden's now-$1.85 trillion-and-growing domestic policy package alongside a companion $1 trillion infrastructure bill in what would be a dramatic political accomplishment — if they can push it to passage.

The House prepared late Thursday for votes now likely on Friday, and White House officials worked the phones to lock in support for the president's signature proposal. House passage of the big bill would be a crucial step, sending to the Senate Biden's ambitious effort to expand health care, child care and other social services for countless Americans and deliver the **nation's biggest investment** yet fighting climate change.

Alongside the slimmer roads-bridges-and-broadband package, it adds up to Biden's answer to his campaign promise to rebuild the country from the COVID-19 crisis and confront a changing economy.

But they're not there yet.

House Speaker Nancy Pelosi was working furiously Thursday and kept the House late to **shore up the votes**. The party has been here before, another politically messy day like many before that are being blamed for the Democrats' dismal showing in this week's elections. On and off Capitol Hill, party leaders declared it's time for Congress to deliver on Biden's agenda.

**"We're going to pass both bills,"** Pelosi insisted at a midday press briefing.

Her strategy now seems focused on passing the most robust bill possible in her chamber and then leaving the Senate to adjust or strip out the portions its members won't agree to.

Half the size of Biden's initial $3.5 trillion package, the now sprawling 2,135-page bill has won over most of the progressive Democratic lawmakers, even though the bill is smaller than they wanted. But the chamber's more centrist and fiscally conservative Democrats continued to mount objections.

Overall the package remains more far-reaching than any other in decades. Republicans are fully opposed to Biden's bill, which is called the "Build Back Better Act" after the president's 2020 campaign slogan.

The big package would provide large numbers of Americans with assistance to pay for health care, raising children and caring for elderly people at home.

There would be lower prescription drug costs, limiting the price of insulin to $35 a dose, and Medicare for the first time would be able to negotiate with pharmaceutical companies for prices of some other drugs, a long-sought Democratic priority.

Medicare would have a new hearing aid benefit for older Americans, and those with Medicare Part D would see their out-of-pocket prescription drug costs capped at $2,000.

The package would provide some $555 billion in tax breaks encouraging cleaner energy and electric vehicles, the nation's largest commitment to tackling climate change.

With a flurry of late adjustments, the Democrats added key provisions in recent days — adding back a new paid family leave program, work permits for immigrants and changes to state and local tax deductions.

Much of package's cost would be covered with higher taxes on wealthier Americans, those earning more than $400,000 a year, and a 5% surtax would be added on those making over $10 million annually. Large corporations would face a new 15% minimum tax in an effort to stop big businesses from claiming so many deductions that they end up paying zero in taxes.

From the White House, "the president has been very clear, he wants to get this moving," said principal deputy press secretary Karine Jean-Pierre.

As night fell, Democratic leaders struggled to resolve a catalogue of remaining issues as lawmakers balanced the promise of Biden's sweeping vision with the realities of their home-district politics.

Biden has few votes to spare in the narrowly-divided House and none when the bill ultimately arrives for consideration in the evenly-split 50-50 Senate.

A group of five centrist Democratic lawmakers want a full budgetary assessment before they vote. Others from more Republican-leaning regions are objecting to a new state-and-local tax deduction that favors New York, California and other high-tax states. Another group wants changes to the immigration-related provisions.

In recent days, both the overall price tag and the revenue to pay for it have grown. A new White House assessment Thursday said revenue from the taxes on corporations and the wealthy and other changes are estimated to bring in $2.1 trillion over 10 years, according to a summary obtained by The Associated Press. That's up from what had been $1.9 trillion in earlier estimates.

Pelosi noted a similar assessment Thursday by the bipartisan Joint Committee on Taxation, and she echoed Biden's frequent comment that the overall package will be fully paid for.

But another model from the Wharton School at the University of Pennsylvania suggested a shortfall in revenue for covering the cost, breeding fresh doubts among some of the Democratic lawmakers.

Still, the Democrats in the House are anxious to finish up this week, eager to deliver on the president's agenda and, as some lawmakers prepare to depart for a global climate change summit in Scotland, show the U.S. taking the environmental issue seriously.

Democrats have been working to **resolve their differences**, particularly with holdout Sens. Joe Manchin of West Virginia and Kyrsten Sinema of Arizona, who forced cutbacks to Biden's bill but championed the slimmer infrastructure package that had stalled amid deliberations.

**Manchin and Sinema hate the plan – they’re anti-labor because of lobbies, and don’t care about their constituencies**

**Harold 21** [Zack, staf reporter for The Guardian, “US minimum wage activists face their toughest foe: Democrat Joe Manchin” https://www.theguardian.com/us-news/2021/feb/22/us-15-dollar-minimum-wage-joe-manchin-west-virginia]

Hopes that the US will finally increase the **federal minimum wage** for the first time in nearly 12 years face a seemingly unlikely opponent: a Democrat senator from one of the poorest states in the union.

Joe Manchin of West Virginia, the state’s former governor and the Democrats’ most conservative senator, has long opposed his party’s **progressive wing** and is on record saying he does not support increasing the minimum wage from $7.25 to $15 an hour, the first increase since 2009. “I’m supportive of basically having something that’s responsible and reasonable,” he told the Hill. He has advocated for a rise to $11.

**Industry lobbying** allied to Republican and – until relatively recently – Democrat opposition has locked the US’s minimum wage at $7.25 since the last raise in 2009.

'Hopefully it makes history': Fight for $15 closes in on mighty win for US workers

None of this has found favor with some low-wage workers in a state where an estimated 278,734 West Virginians lived in poverty in 2019, 16% of the population and the sixth highest poverty rate in the US.

**Last Thursday** Manchin **reaffirmed his stance** during a virtual meeting with members of the West Virginia Poor People’s Campaign (WVPPC), a group pushing for an increased minimum wage and other policy changes that would benefit the working class.

That meeting was closed to the media but at an online press conference immediately afterward, participants said Manchin refused to budge. “He was kind of **copping out**,” said WVPPC member Brianna Griffith, a restaurant worker and whitewater rafting guide who, due to exemptions for tipped workers, only makes $2.62 an hour.

As a result of her sub-minimum wage job, Griffith received only $67 a week in unemployment benefits until that ran out in August. She lost her house and was forced to move in with her grandmother. Although she has now returned to work, business is slow and she estimates tips have fallen by 75%.

When Griffith told Manchin about her plight on Thursday, she said he asked about the $600 stimulus check approved by Congress in December. “He seemed to think that $600 … was enough to get me by,” she said. “I feel like he’s got his head in the clouds and he doesn’t understand what’s happening to poor people in West Virginia.”

Despite Manchin’s insistence on an $11 minimum wage, according to MIT’s living wage calculator, even a $15 minimum wage would only provide a living wage for single West Virginians without children. For a West Virginia family with two working parents and two children, both parents would need to be making at least $20.14 an hour to make ends meet.

Griffith said if the minimum wage was increased to $15 an hour, “I could afford to live on my own. I could afford a car that’s not 25 years old.”

The Rev Dr William Barber, co-chair of the national Poor People’s Campaign, was in last week’s meeting and said Manchin agreed the current $7.25 minimum wage was “not enough”.

But Barber said he was “amazed” Manchin could hear from people like Griffith and still oppose increasing the minimum wage to $15.

“What he is suggesting would just further keep people in poverty and hurting,” he said.

Raising the minimum wage was a key part of Democrats’ 2020 platform. The former presidential candidate and now Senate budget committee chairman, Bernie Sanders, has referred to the current $7.25 rate as “a starvation wage”.

The wage hike, formally known as the Raise the Wage Act of 2021, is now part of a proposed $1.9tn Covid-19 relief bill. The measure would incrementally raise the minimum wage from $7.25 to $15 over the next four years.

With only a razor-thin majority in the Senate, all 50 Democrat senators need to be onboard for the bill to pass. But in addition to Manchin, Kyrsten Sinema of Arizona has told Politico she **does not want** the minimum wage increase to be part of the Covid relief package.

**Passage allows an unprecedented investment in combatting climate change**

**Morton 10/28** [Joseph Morton, "Democrats tout climate spending in reconciliation", 10/28/21, https://www.rollcall.com/2021/10/28/framework-includes-clean-energy-tax-credits-omits-methane-fee/]

“At the same time, substantial investments in electric vehicle charging stations and clean heavy-duty vehicles, like school buses, will serve the dual purpose of **slashing our carbon emissions** while helping American manufacturing stay globally competitive,” Pallone said.

Rep. Cindy Axne, D-Iowa, had pushed for funding to support biofuels infrastructure, complaining it was left out of the bipartisan infrastructure bill even as that measure delivered significant funding for electric vehicles.

The latest reconciliation package text includes $1 billion over 10 years in funding for the Agriculture Department to provide grants for expanding biofuel pump infrastructure, upgrade existing infrastructure and  increase usage of higher blends of ethanol and biodiesel.

“Not only does the Build Back Better Act represent the **largest investment** in **clean energy** and **combating climate change** ever — it also confirms that my colleagues have listened to my central argument in our clean energy discussions: biofuels can and should be a part of our fight against climate change,” Axne said in a statement.

The White House framework released earlier in the day envisions that $320 billion would be delivered in the form of **clean energy tax credits** to **accelerate the transition** from coal and gas-fired power plants to renewable energy sources such as wind turbines and solar panels.

That includes incentives for both utilities and residents and support for additional transmission and storage capacity — areas where bottlenecks have hampered the development of renewable energy sources.

The framework includes incentives intended to cut the cost for Americans to put rooftop solar panels on their homes and make it easier to purchase electric vehicles. New EV tax credits would lower the cost of a vehicle by $12,500 for a middle-class family, according to the White House.

The framework calls for $105 billion for climate resiliency and addressing legacy pollution in communities.

For example, a new Clean Energy and Sustainability Accelerator that would invest in climate-related projects around the country would allocate 40 percent of those benefits to disadvantaged communities — part of a pledge the Biden administration has made to deliver climate spending to communities traditionally on the front lines of environmental damage.

It also would fund grants to support environmental justice in disadvantaged communities and create a new Civilian Climate Corps with more than 300,000 members working on conservation projects that could help mitigate climate change.

The framework includes $110 billion in spending and incentives to boost domestic supply chains supporting solar power and batteries. It also would fund grants, loans and tax credits aimed at moving steel, cement and aluminum industries toward decarbonization.

There’s also $20 billion for the government to purchase new technologies such as long-duration storage, small modular reactors and clean construction materials.

While the size of the package falls short of initial proposals, some Capitol Hill Democrats declined to say they were disappointed with the climate portion.

Sen. Christopher S. Murphy, D-Conn., said he didn’t want to undersell the framework, as it would represent the most significant spending on climate policy since he joined Congress.

The fact that climate makes up about **one-third of the overall spending** shows how much the issue has been elevated within the Democratic Party, he said, and negotiations over bolstering it aren’t finished.

“I think there's a number of things that we can still find consensus on that might not be in this agreement. So climate is something you’ve got to work on every single day,” Murphy said. “If we're not passing climate change legislation every year, then we're not doing our job. So this is just one admittedly very big piece of the overall policy puzzle.”

**It causes extinction.**

**Dunlop 17**. (Ian Dunlop chaired the Australian Coal Association in 1987-88, chaired the Australian Greenhouse Office Experts Group on Emissions Trading from 1998-2000 and was CEO of the Australian Institute of Company Directors from 1997-2001. He has a particular interest in the interaction of corporate governance, corporate responsibility and sustainability. An engineer by qualification, he holds an MA (Mechanical Sciences) degree from the University of Cambridge, he is a Fellow of the Australian Institute of Company Directors, the Australasian Institute of Mining and Metallurgy, and the Energy Institute (UK), and a Member of the Society of Petroleum Engineers of AIME (USA). He also chairs the Australian National Wildlife Collection Foundation. David Spratt is a Research Director for Breakthrough and co-author of Climate Code Red: The case for emergency action (Scribe 2008). His recent reports include Recount: It’s time to “Do the math” again; Climate Reality Check and Antarctic Tipping Points for a Multi-metre Sea-level Rise. A Failure of Imagination on Climate Risks. July 26, 2017. www.resilience.org/stories/2017-07-26/a-failure-of-imagination-on-climate-risks/)

**Climate change** is an **existential risk** that could abruptly **end human civilisation** because of a catastrophic “failure of imagination” by global leaders to understand and act on the science and evidence before them. At the London School of Economics in 2008, Queen Elizabeth questioned: “Why did no one foresee the timing, extent and severity of the Global Financial Crisis?” The British Academy answered a year later: “A psychology of denial gripped the financial and corporate world… [it was] the failure of the collective imagination of many bright people… to understand the risks to the system as a whole”. A “failure of imagination” has also been identified as one of the reasons for the breakdown in US intelligence around the 9/11 attacks in 2001. A similar failure is occurring with climate change today. The problem is widespread at the senior levels of government and global corporations. A 2016 report, Thinking the unthinkable, based on interviews with top leaders around the world, found that: “A proliferation of ‘unthinkable’ events… has revealed a new fragility at the highest levels of corporate and public service leaderships. Their ability to spot, identify and handle unexpected, non-normative events is… perilously inadequate at critical moments… Remarkably, there remains a deep **reluctance**, or what might be called ‘executive myopia’, to see and contemplate even the possibility that ‘unthinkables’ might happen, let alone how to handle them. Such failures are manifested in two ways in climate policy. At the political, bureaucratic and business level in underplaying the high-end risks and in failing to recognise that the existential risk of climate change is totally different from other risk categories. And at the **research level** in **underestimating** the rate of climate change **impact** and costs, along with an **under-emphasis** on, and poor communication of, those **high-end risks**. Existential risk An existential risk is an adverse outcome that would either annihilate intelligent life or permanently and drastically curtail its potential. For example, a big meteor impact, large-scale nuclear war, or sea levels 70 metres higher than today. Existential risks are not amenable to the reactive (learn from failure) approach of **conventional risk management**, and we cannot necessarily rely on the institutions, moral norms, or **social attitudes** developed from our experience with managing **other** sorts of **risks**. Because the consequences are so severe — perhaps the end of human global civilisation as we know it — researchers say that “even for an honest, truth-seeking, and well-intentioned investigator it is difficult to think and act rationally in regard to… existential risks”. Yet the **evidence is clear** that climate change already poses an **existential risk** to **global** economic and societal **stability** and to **human civilisation** that requires an **emergency response**. Temperature rises that are now in prospect could reduce the global human population by 80% or 90%. But this conversation is taboo, and the few who speak out are admonished as being **overly alarmist**. Prof. Kevin Anderson considers that “a 4°C future [relative to pre-industrial levels] is incompatible with an organized global community, is likely to be **beyond ‘adaptation’**, is devastating to the majority of **ecosystems**, and has a high probability of not being stable”. He says: “If you have got a population of nine billion by 2050 and you hit 4°C, 5°C or 6°C, you might have half a billion people surviving”. Asked at a 2011 conference in Melbourne about the difference between a 2°C world and a 4°C world, Prof. Hans Joachim Schellnhuber replied in two words: “Human civilisation”.

**That allows an unprecedented investment in combatting climate change**

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**Sufficient—reduces US emissions by a gigaton by 2030 and causes other countries to increase pledges**

**Adler 10/28** [Ben Adler·Senior Climate Editor, "Record-smashing climate change spending in budget framework", 10/28/21, https://news.yahoo.com/record-smashing-climate-change-spending-in-budget-agreement-161409648.html]

President **Biden** announced on Thursday that the newest version of the budget reconciliation package includes a record-smashing $555 billion over 10 years to address climate change, by far the largest investment in mitigating the climate crisis to date.

The spending is designed to subsidize the transition from fossil fuels such as coal, oil and gas to clean energy sources such as wind and solar as well as to encourage related shifts like moving away from the internal combustion engine in favor of electric vehicles. Biden said this “framework” has the support needed to pass both houses of Congress.

While many Democratic domestic spending priorities got cut out of the compromise with moderates in the party, the climate change provisions ended up being only slightly smaller than the roughly $600 billion Biden initially requested for his Build Back Better agenda.

“The Build Back Better framework is the **largest effort** to **combat the climate crisis** in American history,” the White House said in a fact sheet distributed early Thursday morning ahead of the president’s remarks announcing that he and congressional Democrats had reached an agreement. “The framework will start cutting climate pollution now, and deliver well over **one gigaton**, or a billion metric tons, of greenhouse gas emissions reductions in **2030** — at least ten times larger than any legislation Congress has ever passed.”

Assuming the bill does indeed pass both houses of Congress, it will give a **much-needed boost** to Biden’s hopes of **cajoling** other countries to **increase the ambition** of their own pledges to reduce greenhouse gas emissions at the U.N. Climate Change Conference, set to begin next week in Glasgow, Scotland.

Environmental activists praised the bill as a major step forward in the gathering global effort to combat climate change.

“It’s a great day for climate, jobs, and justice!” wrote Tiernan Sittenfeld, senior vice president of government affairs at the League of Conservation Voters, in an email to Yahoo News. “Once passed this will be the largest investment in climate and environmental justice our nation has ever made by far, and it comes not a moment [too] soon as our nation reels from this summer’s deadly and devastating fires, heat, storms and floods, and the president leaves today for Glasgow.”

The biggest climate change component of the spending package will be $320 billion for expanded tax credits for clean energy production — for instance, a tax credit for buying a rooftop solar panel — transmission and storage, electric car adoption and clean energy manufacturing. There will also be $105 billion to deal with the effects of more extreme weather events, such as heat waves and floods, that are increasingly common because of climate change. Some of those measures, such as wetlands restoration, will also help to reduce climate change by **bolstering** what are known as natural “**carbon sinks**,” meaning areas where vegetation absorbs carbon dioxide from the atmosphere. Some of those programs would be carried out by a new “Civilian Climate Corps” of young Americans.

The federal government would also spend $110 billion on incentives to build up the domestic supply chain of clean energy technologies and reducing industrial emissions, and $20 billion for the purchase of new technologies, like longer-lasting solar batteries and small modular nuclear reactors that could transform the energy sector.

### NC – Econ DA

#### Business recovery is strong. Business confidence is high.

Halloran ’9-14 [Michael; 2021; M.B.A. from Carnegie Mellon University, former aerospace research engineer, Equity Strategist; Janney, “Despite Potential Headwinds, Key Labor Market Indicators Bode Well for the Economy,” https://www.janney.com/latest-articles-commentary/all-insights/insights/2021/09/14/despite-potential-headwinds-key-labor-market-indicators-bode-well-for-the-economy]

However, we remain encouraged by the recovery that has been unfolding since the economy began reopening. We continue to see improvement in important cyclical sectors of the economy while consumers are historically healthy and still have pent-up demand. Business confidence has rebounded with strong corporate profits that should support further capital spending and hiring (there are now more job openings than there are unemployed people by a record amount).

We expect to see further improvement in the international backdrop, supported by unprecedented fiscal and monetary stimulus and accelerating rates of vaccination. Although the impact of the Delta wave is still being felt, recent evidence confirms the effectiveness of vaccines in limiting deaths and hospitalizations. With the pace of vaccination now picking up in the areas most impacted by this wave—Asia and Australia—the case for fading headwinds leading to improving economic growth later this year remains positive.

The signals from financial markets themselves remain positive. Despite consolidating last week, stocks remain near record highs while the 10-year Treasury remains well above the lows of earlier this summer when concerns about Delta first emerged.

These factors support our view of a durable economic recovery from the pandemic that should continue supporting stock prices. A healthy labor market is a critical element for a sustainable recovery that supports profit growth and last week’s news from the labor market remains encouraging.

#### Unions devastate growth and worsen inequality – gains for workers shift costs to other parts of the economy

Epstein 20 [Richard A. Epstein Peter and Kirsten Bedford Senior Fellow @ the Hoover Institution. "The Decline Of Unions Is Good News." https://www.hoover.org/research/decline-unions-good-news]

This continued trend has elicited howls of protest from union supporters who, of course, want to see an increase in union membership. It has also led several Democratic presidential candidates to make calls to reconfigure labor law. Bernie Sanders wants to double union membership and give federal workers the right to strike, as well as ban at-will contracts of employment, so that any dismissal could be subject to litigation under a “for cause” standard. Not to be outdone, Elizabeth Warren wants to make it illegal for firms to hire permanent replacements for striking workers. They are joined by Pete Buttigieg in demanding a change in federal labor law so that states may no longer pass right-to-work laws that insulate workers from the requirement to pay union dues in unionized firms. All of these new devices are proven job killers.

The arguments in favor of unions are also coming from some unexpected sources in academia, where a conservative case has been put forward on the ground that an increase in union membership is needed to combat job insecurity and economic inequality.

All of these pro-union critiques miss the basic point that the decline of union power is good news, not bad. That conclusion is driven not by some insidious effort to stifle the welfare of workers, but by the simple and profound point that the greatest protection for workers lies in a competitive economy that opens up more doors than it closes. The only way to achieve that result is by slashing the various restrictions that prevent job formation, as Justin Haskins of the Heartland Institute notes in a recent article at The Hill. The central economic insight is that jobs get created only when there is the prospect of gains from trade. Those gains in turn are maximized by cutting the multitude of regulations and taxes that do nothing more than shrink overall wealth by directing social resources to less productive ends.

#### Unions crush competitiveness

Griswold 10 [Daniel is Director of the Center for Trade Policy Studies at the Cato Institute “Unions, Protectionism, and U.S.Competitiveness” Cato Journal, Vol. 30, No. 1 (Winter 2010). P 181-195]

While globalization has affected labor unions in surprising ways, unions have also had a measurable effect on the ability of firms to compete in the global economy. The 1984 publication of What Do Unions Do?,by Freeman and Medoff, launched a growing body of research into the effects of labor unions on the performance of unionized firms compared to nonunionized firms. The evidence indicates that unions and globalization are not a happy mix for companies with unionized workforces.¶ Freeman and Medoff noted in their landmark work that the impact of unions on the workplace reveals itself in two faces, a “monopoly face,” which tends to reduce the efficiency of the affected firm, and the “collective voice/institutional response face,” which can raise productivity by encouraging worker loyalty and reducing turnover.¶ The monopoly face of unions can be seen in their efforts to fix wages and benefits at levels above those of a competitive labor market. A labor union is, among other things, a cartel or monopoly that attempts to exert market power to extract a higher price for the labor it offers to a firm. Like monopolies in product markets, the result can be a misallocation of resources. Higher wages cut into firm profits, reducing investment and employment levels in the affected industry. Unions can also impose restrictive work rules and featherbedding that reduce productivity and stifle innovation. An emphasis on seniority over merit in pay and promotion can reduce the incentive for worker effort. One result can be the inability of management to respond in a timely way to changing market conditions, putting the firm at a competitive disadvantage. Strikes and other industrial action can damage a firm’s ability to retain market share.¶ On the positive side, as summarized in Bennett and Kaufman (2008: 3), unions can reduce worker turnover and increase their sense of loyalty to the firm, thus reducing transaction costs to the firm for hiring and training. The effect is consistent with the efficient- wage theory, which argues that paying workers an above-market wage can yield benefits to the firm that more than offset higher payroll costs. The protection of a union can empower individual workers to suggest workplace improvements, exercising the option for “voice” rather than “exit.” The organizing of a union can shock management into organizing production more efficiently to maintain competitiveness. Unions can enhance the representation of older, more experienced workers rather than allowing wages and benefits to be determined by more mobile, “marginal” workers who tend to be younger and single.¶ Freeman and Medoff came to the conclusion in their influential book that the voice/representational face of organized labor tends to predominate the monopoly face, with the result that unions on balance play a positive role in enhancing the output and competitiveness of unionized firms. Twenty-five years later, however, the evidence does not support their more optimistic view of the impact of organized labor on the competitiveness of U.S. companies in the global markets.

#### Recessions cause global crises – ensuring continued growth is key

Baird ’20 [Zoe; October 2020; C.E.O. and President of the Markle Foundation, Member of the Aspen Strategy Group and former Trustee at the Council on Foreign Relations, J.D. and A.B. from the University of California at Berkeley; Domestic and International (Dis)order: A Strategic Response, “Equitable Economic Recovery is a National Security Imperative,” Ch. 13]

A strong and inclusive economy is essential for American national security and global leadership. As the nation seeks to return from a historic economic crisis, the national security community should support an equitable recovery that helps every worker adapt to the seismic shifts underway in our economy.

Broadly shared economic prosperity is a bedrock of America’s economic and political strength—both domestically and in the international arena. A strong and equitable recovery from the economic crisis created by COVID-19 would be a powerful testament to the resilience of the American system and its ability to create prosperity at a time of seismic change and persistent global crisis. Such a recovery could attack the profound economic inequities that have developed over the past several decades. Without bold action to help all workers access good jobs as the economy returns, the United States risks undermining the legitimacy of its institutions and its international standing. The outcome will be a key determinant of America’s national security for years to come.

An equitable recovery requires a national commitment to help all workers obtain good jobs—particularly the two-thirds of adults without a bachelor’s degree and people of color who have been most affected by the crisis and were denied opportunity before it. As the nation engages in a historic debate about how to accelerate economic recovery, ambitious public investment is necessary to put Americans back to work with dignity and opportunity. We need an intentional effort to make sure that the jobs that come back are good jobs with decent wages, benefits, and mobility and to empower workers to access these opportunities in a profoundly changed labor market.

To achieve these goals, American policy makers need to establish job growth strategies that address urgent public needs through major programs in green energy, infrastructure, and health. Alongside these job growth strategies, we need to recognize and develop the talents of workers by creating an adult learning system that meets workers’ needs and develops skills for the digital economy. The national security community must lend its support to this cause. And as it does so, it can bring home the lessons from the advances made in these areas in other countries, particularly our European allies, and consider this a realm of international cooperation and international engagement.

Shared Economic Prosperity Is a National Security Asset

A strong economy is essential to America’s security and diplomatic strategy. Economic strength increases our influence on the global stage, expands markets, and funds a strong and agile military and national defense. Yet it is not enough for America’s economy to be strong for some—prosperity must be broadly shared. Widespread belief in the ability of the American economic system to create economic security and mobility for all—the American Dream— creates credibility and legitimacy for America’s values, governance, and alliances around the world.

After World War II, the United States grew the middle class to historic size and strength. This achievement made America the model of the free world—setting the stage for decades of American political and economic leadership. Domestically, broad participation in the economy is core to the legitimacy of our democracy and the strength of our political institutions. A belief that the economic system works for millions is an important part of creating trust in a democratic government’s ability to meet the needs of the people.

The COVID-19 Crisis Puts Millions of American Workers at Risk

For the last several decades, the American Dream has been on the wane. Opportunity has been increasingly concentrated in the hands of a small share of workers able to access the knowledge economy. Too many Americans, particularly those without four-year degrees, experienced stagnant wages, less stability, and fewer opportunities for advancement.

Since COVID-19 hit, millions have lost their jobs or income and are struggling to meet their basic needs—including food, housing, and medical care.1 The crisis has impacted sectors like hospitality, leisure, and retail, which employ a large share of America’s most economically vulnerable workers, resulting in alarming disparities in unemployment rates along education and racial lines. In August, the unemployment rate for those with a high school degree or less was more than double the rate for those with a bachelor’s degree.2 Black and Hispanic Americans are experiencing disproportionately high unemployment, with the gulf widening as the crisis continues.3

The experience of the Great Recession shows that without intentional effort to drive an inclusive recovery, inequality may get worse: while workers with a high school education or less experienced the majority of job losses, nearly all new jobs went to workers with postsecondary education. Inequalities across racial lines also increased as workers of color worked in the hardest-hit sectors and were slower to recover earnings and income than White workers.4

The Case for an Inclusive Recovery

A recovery that promotes broad economic participation, renewed opportunity, and equity will strengthen American moral and political authority around the world. It will send a strong message about the strength and resilience of democratic government and the American people’s ability to adapt to a changing global economic landscape. An inclusive recovery will reaffirm American leadership as core to the success of our most critical international alliances, which are rooted in the notion of shared destiny and interdependence. For example, NATO, which has been a cornerstone of U.S. foreign policy and a force of global stability for decades, has suffered from American disengagement in recent years. A strong American recovery—coupled with a renewed openness to international collaboration—is core to NATO’s ability to solve shared geopolitical and security challenges. A renewed partnership with our European allies from a position of economic strength will enable us to address global crises such as climate change, global pandemics, and refugees. Together, the United States and Europe can pursue a commitment to investing in workers for shared economic competitiveness, innovation, and long-term prosperity.

The U.S. has unique advantages that give it the tools to emerge from the crisis with tremendous economic strength— including an entrepreneurial spirit and the technological and scientific infrastructure to lead global efforts in developing industries like green energy and biosciences that will shape the international economy for decades to come.