

AMERICAN WAGE EARNERS (AWE)

Building a massive membership association
to reclaim worker power



(AND MAYBE SAVE DEMOCRACY)

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Core Goals:

The purpose of American Wage Earners (AWE) is to shift the balance of economic and political power in favor of the majority of U.S. workers who labor for paychecks – rather than the tiny financial elite who’ve amassed wealth well out of proportion to their numbers or their productive activity. AWE will ensure that the voices of average American workers and their families are heard at all levels of government and business, and that their interests will take precedence in policy decisions. In legislatures and boardrooms alike, those who work for wages will have a prominent place at the table and finally exert powerful influence reflecting their majority status.

Major Changes:

Instead of relying on the efforts of weakened unions, scattered worker advocacy groups, pro-labor think tanks, a single political party or (as of the 2016 election) a dangerous demagogue to produce improvements in U.S. workers’ welfare, AWE will unite millions of wage-earning Americans into one membership entity, akin to the National Rifle Association or the AARP, to force real, lasting progress. Using the connecting factor of our shared identity as workers, AWE will attract millions of members and create a massive electoral bloc and lobbying force – the largest special interest group in American history. Wielding unparalleled political clout, AWE will set in motion a reversal of the current phenomenon whereby the needs of the average American (and thus the average worker) have a “minuscule, near-zero, statistically non-significant” impact on current public policy (Martin Gilens and Benjamin I. Page, *Testing Theories of American Politics*). In its broadest application, AWE creates a uniquely potent opportunity to address income inequality and poverty, community decay, corporate corruption, voter suppression, civil rights threats and much more.

Principal Means/Geographic Scope:

AWE’s ability to transcend the current stagnation of progress on worker rights depends to a great extent on its unique structure. As an independent membership organization, it’s neither tied to the government nor beholden to business backers. It’s open to everyone: a national club, bringing together all types of workers, of diverse ages, races, ethnicities, educational levels, job types and even political leanings. It is not a union and is unencumbered by federal labor laws. Member fees will be minimal. Built as a digital organization, AWE can scale up and reach out flexibly and easily.

Temporal Scope:

Building the technical platform, recruiting a staff that includes grassroots worker representation, developing partnerships with unions and engaging membership to full scale for viable impact would take an estimated five years. It could happen more quickly if enough influencers and backers see the potential of AWE and become involved early on.

The following document covers more specifics about American Wage Earners as a new model for whole system change.

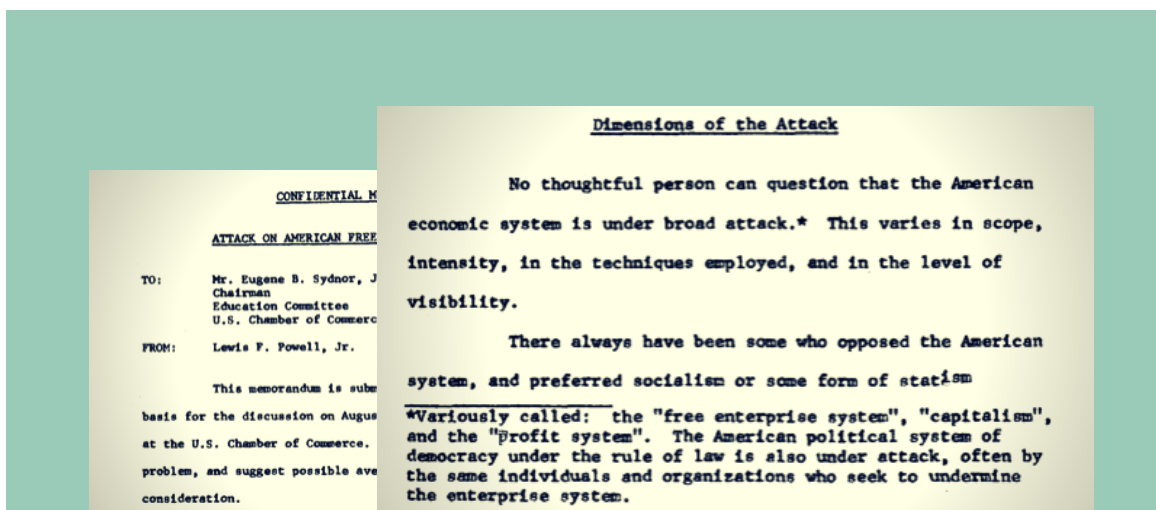
There IS a way to beat back the plutocracy and put **American workers** back on top

A TAKEOVER MANUAL

In the history of American inequality, the **Powell Memo** is a pivotal document –one that precipitated the erosion of the middle class and the current inequality crisis.

In the 1970s, U.S. business leaders – feeling under siege by increasing government regulations and growing anti-business sentiment – started to build a powerful activist movement. **They carried out an unprecedented “corporate takeover” of America's public institutions via political influence, birthing the crusade that eventually turned government into an unabashedly *business-first* enterprise.** One motivator for this aggressive shift was an internal memo written in 1971 by Lewis Powell, then chair of the U.S. Chamber of Commerce’s Education Committee.

As Jacob S. Hacker and Paul Pierson recount in *Winner-Take-All Politics: How Washington Made the Rich Richer – and Turned Its Back on the Middle Class*, “By 1971, future Supreme Court justice Lewis Powell felt compelled to assert, in a memo that was to help galvanize business circles, that the ‘American economic system is under broad attack.’ This attack, Powell maintained, required mobilization for political combat: ‘**Business must learn the lesson . . . that political power is necessary; that such power must be assiduously cultivated; and that when necessary, it must be used aggressively and with determination – without embarrassment and without the reluctance which has been so characteristic of American business.**’



POWER IN NUMBERS

Moreover, Powell stressed, the critical ingredient for success would be organization: ‘Strength lies in organization, in careful long-range planning and implementation, in consistency of action over an indefinite period of years, **in the scale of financing available only through joint effort, and in the political power available only through united action and national organizations.**’”

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Certainly the potential exists for our children to inherit a far more productive and broadly prosperous society than exists today. Yet for this to occur, it is not enough to dwell solely on the phenomenon of the “1 percent” growing richer. **The bigger problem is how plutocrats and their political and intellectual enablers ... continue to use their increasing power and influence over our political economy to cause mass inequality and downward mobility across generations.**

-Phillip Longman, senior editor at the Washington Monthly and policy director of New America's Open Markets Program

Business leaders diligently heeded Powell's memo. **From 1974 to 1980, the Chamber's membership doubled; its budget tripled. American corporations and their think-tank allies boosted their political giving, cozied up to Congress and worked hard to get economic hardliners elected.** In the process, they demonized unions and collective bargaining, abandoned the traditional employee-employer contract, slashed pensions, shifted health insurance costs to workers, turned layoffs from a last resort into a common bottom-line-boosting tool, put shareholders' interests above all others, touted trickle-down economics and collaborated to send CEO pay soaring

They expanded “right to work” initiatives, shifted jobs overseas, avoided paying benefits by hiring workers on a temporary or contingent basis, maneuvered corporate taxes to record lows and starved their home country of revenue by stashing more than \$2 trillion in untaxed corporate earnings overseas. **Despite year after year of major gains in worker productivity, most business powers stridently oppose any attempts to raise stagnant worker pay, to enact reasonable parental leave or sick leave policies, or to overhaul overtime policies that cheat millions of earned pay. And they get away with it.**

“Without embarrassment,” indeed.

SCATTERED EFFORTS

In the more than four decades following the Powell Memo, most American wage-earners suffered a devastating and degrading loss of power, prestige, pay, security, safety, dignity and hope. Inequality reigns. Unions are in decline. We lag behind other developed nations in median pay, time off, job security and, increasingly, the percentage of our population considered “middle class.”

Yes, there's been some progress on worker rights recently. We saw the Fight for 15 take off, employers like McDonald's and Walmart take some (limited) action on raising wages and even some renewed attention to worker exploitation. In the past couple years, several organizations have kicked off initiatives to tackle economic inequality that explicitly address worker issues, including Good Jobs for All's *Putting Families First* and the Roosevelt Institute's *Rewriting the Rules: An Agenda for Growth and Shared Prosperity*. **Good intentions, but often created in silos, by academics, and far, far under the radar of most Americans.**

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To get from a fractured progressive landscape to a more unified one requires a common analysis of what's wrong and a common agenda about what needs to change. The analysis needs to show how our many disparate issues are linked together by the financialization of the economy. ...**[W]e can't really make much progress on any of our issues unless we come together to tame runaway inequality.**

Les Leopold, author of Runaway Inequality

It's true that plenty of folks across the country are passionately striving to improve worker welfare, against all odds. These include unions carrying on in adversity as more states enact “right to work” legislation, advocacy organizations like **Jobs with Justice** and **Working Washington**, people like **Ai-jen Poo** of the **National Domestic Workers Alliance** and many others. They're fighting the good fight, and many workers will be better off thanks to their efforts.

And yet, incremental wins aren't enough. Scattered worker empowerment initiatives by nonprofits and unions here and there won't lead to critical mass change. Earnest policy papers and one-off projects won't move the needle. A decent minimum wage increase in a few states or cities isn't going to unleash a tsunami of legislation boosting all workers' paychecks across the country, or reverse wage stagnation, or topple the hyper-capitalist hierarchy that slots laborers miles beneath shareholders. And with a Trump administration looming, **the outlook for worker welfare is more dire than ever.**

**The stakes are too high now
for half-measures.**

MEMO THIS

Face it: For long before Trump came on the scene, average wage-earners have lacked any real say at all in the economic rules that define their lives, despite their enormous numbers. And to expect any improvement in worker welfare absent massive system change is delusional, considering that studies show the needs of the average American (and thus the average worker) have a “miniscule, near-zero, statistically non-significant” impact on current public policy (Martin Gilens and Benjamin I. Page, *Testing Theories of American Politics*).

So the problem is clear, and many people are deeply concerned. But so far we've lacked an organized, potent push for *across-the-board* changes in favor of workers, not limited to separate unions. Elected officials who try to fight for workers are few and far between in Congress or in state legislatures — especially now that 32 of them are entirely in Republican control. Worker centers and support associations remain disconnected and small-scale. And unions, already weakened and facing devastation under Trump, can barely focus on their own shrinking bargaining units.

Meanwhile the voice of almighty business thunders on across the land, endlessly broadcast by the **Chamber**, as well as labor-unfriendly forces like **ALEC**, the **National Right to Work Committee**, the **National Restaurant Association**, dark-money PACs, reactionary pundits and other national influencers who drown out all challenges to their status quo.

>This is unsustainable and unacceptable.<

The state of wage-earning in America is **overdue** for disruption.

TODAY, IT'S **LABOR** THAT'S UNDER SIEGE.



AND IT'S TIME FOR
A NEW MEMO.



One thing is certain: If Trump's victory does indeed become “an extinction-level event for the labor movement,” it would also extinguish any prospect that America could ever become “great again.” **No country in history has ever achieved decent working-class living standards (and the social and political stability they engender) absent a vibrant labor movement.** Anyone who hopes for American greatness must also hope that labor has the strength and smarts to survive what's coming in the Trump years.

Harold Meyerson, “Trump Presidency Could Kill Labor Unions;” The American Prospect, Nov. 28, 2016

SCALED TO WIN

To paraphrase Powell, **American wage-earners must learn the lesson that political power is necessary and must be used aggressively and with determination.** Like business leaders in 1971, American workers and their allies need to recognize that “strength lies in **organization** ... in the scale of **financing** available only through joint effort, and in the **political power** available only through united action and national organizations.”

We need what amounts to a **U.S. Chamber of WORK, an NRA or an AARP, for wage earners:** a massive, organized, independent advocate representing **ALL** workers and fighting for them in the halls of power. And to compel broad, systemic change, this entity needs to be much bigger and vastly more agile and influential than any single union or advocacy group.

This would be an entirely new beast, bucking convention and breaking from traditional approaches to worker activism. For optimal influence, it will have to function **outside the realm of typical non-profits and think tanks.** It needs to operate on par with America’s toughest, most influential and most effective membership organizations.

This organization could revive the status of American labor and promote worker interests on a large enough scale to finally gain the RESPECT – and policy gains, and earnings growth – U.S. wage-earners deserve.

THE FRIGHTENING ALTERNATIVE

There's no time to waste. Unless we take aggressive action as a united front, America's inequality crisis will grow far worse, with terrifying impacts. **And worker power is at the root of any cure.**

WITHOUT CHANGE, WE FACE: Income stagnation nationwide | Workers fired, then rehired at less pay | Employers shifting costs to workers | "Right to Work (for Less)" laws | Fear of taking time off | Shamefully inadequate childcare options. Gender pay gap | Erosion of worker rights | Precarious "gigs" instead of strong jobs | Defeated unions | Poverty wages | Race to the bottom in employment & pay | Economic instability | Retirement crisis | Growing poverty | Cities starved of revenue | Failing infrastructure | Greater need for welfare programs | Communities in decline | Social immobility | Divisiveness and rancor | Widening inequality | Rampant insecurity | Corporate dominance of government | Plutocracy | **DEATH OF THE AMERICAN DREAM**

**American workers deserve an unfettered CHAMPION
to fight for *them* in the halls of power:**

- As hard as the **AARP** fights for **seniors**
- As hard as the **NRA** fights for **gun owners**
- As hard as the **U.S. CHAMBER OF COMMERCE** fights for **big business**
- And as hard as tens of thousands of other groups fight for their members using the historic association structure.




SHOCK AND AWE



Enter American Wage Earners, the membership association of the WORKING CLASS.

Joining AWE would be simple, inexpensive and, once word gets out, viral. For \$10 or \$15 per year, members gain an array of worker resources, direct assistance with workplace issues, local worker connections, member events, advocacy opportunities, a vast digital platform, legislative updates, social relationships, powerful demographic information, help negotiating with employers in non-union workplaces, education on union organizing, worker co-ops and other worker-friendly structures and discounts on goods and services. (See #5 on page 8 for more.)

More importantly, members get to personally and proudly engage in a robust association fighting for THEIR interests, ensuring that pro-worker advocates gain equal footing with the lobbyists and power brokers who for too long have catered, unopposed, to employers' wishes over workers' welfare.

-  • Think of the influence AWE could wield with a **WAR CHEST** like the Chamber's (whose 2014 lobbying expenditures = \$124 million).
-  • Or if it attracted **MEMBERSHIP NUMBERS** anywhere near the 37 million who belong to the influential AARP.
-  • Or if it amassed the **POLITICAL POWER** of the smaller (five million members), but ruthlessly effective, National Rifle Association.

Approximately 150 million Americans work.
AWE could conceivably form one of the biggest politically active voting blocs in history.

WHAT ABOUT UNIONS?

To be absolutely clear: AWE is **not** meant to be an existential threat to the union model. Unions can benefit enormously by partnering with AWE. A membership organization that's open to ALL workers can breathe new life into the entire concept of unionization. Via AWE, millions of workers who've had no exposure to worker empowerment movements will discover concepts of worker organization and power they would otherwise never encounter. AWE will engage workers in understanding labor's significant impact on American history and revive enthusiasm for building a labor movement to restore the healthy working class that powered middle-class expansion after World War II. AWE represents an opportunity for American unions to partner with a broad-based movement to rekindle widespread worker engagement and pride. **By advancing the American labor movement across all sectors and connecting ALL working people, AWE can invigorate union membership and inspire new, sustainable union models for the future.**

10 ways **AWE** can shift the balance of power in favor of workers

- 1) As a low-cost membership organization open to anyone who earns a paycheck, **AWE's relevance extends to the MAJORITY of the American population.** By leveraging that influence, AWE could become the most powerful worker advocate in history, **fundamentally altering the way Americans live, work and engage in civic life.** It could influence real economic and financial reform. It would work to update labor law to reflect the reality of today's work challenges: systemic changes that could immediately improve workers' lives. It could effectively fight to finally move vacation time, minimum wages, paid parental leave, sick leave, overtime eligibility and other crucial worker standards up to acceptable levels for a developed nation. **And that's just the beginning.**
- 2) As a membership group, not a union, **AWE would be free from labor-relations regulations, and free to be a potent worker ally and policy leader on Capitol Hill and beyond.** Like the NRA, AWE would be free to lobby forcefully **AND to partner with existing unions to expand their reach and impact.**
- 3) **AWE could unite workers across traditional divides of industry, rank and employment status: blue-collar, white collar, freelance, temporary, public or private sector, union or not.** AWE would **advance the cause of shared, inclusive prosperity** by building a coalition of those who've been left behind economically. AWE appeals to Americans' common needs and rights as workers. It could, perhaps, be a healing force for an increasingly divided nation. AWE would welcome support from all allies, **including wealthy allies who oppose inequality** and want to promote worker rights & economic revival, like the Patriotic Millionaires group.
- 4) **AWE would advance worker-friendly policies and new worker/employer models, like worker cooperatives.** It would advocate **transformational work arrangements** that lift up entire communities, build families' capital & invigorate local economies.
- 5) **AWE would offer comprehensive services for wage earners, supporting their well-being and dignity as workers.** The AARP, for example, provides members with an expansive array of educational opportunities, job programs, social connections and more. Beyond discounts on products and services from pro-worker partners, AWE could provide **educational resources, workers' rights materials, legal help, career counseling, job-search assistance, worker ownership and co-op how-tos, skills training** and more. Members could join industry networks and form local chapters, building camaraderie and boosting membership. With its union partners, AWE could help draw more workers into the union movement. And for workers in jobs without a realistic chance of ever unionizing, AWE could provide support to enact workplace improvements.

6) AWE could gather large-scale salary/benefit data and develop broad-based, high-impact workplace rankings and reviews, with teeth. Employers who achieve top scores on worker welfare would be awarded AWE endorsements. **Anti-worker organizations and employers would be called out for their actions, and subject to boycotts and media campaigns.** Data would inform policy recommendations for ongoing improvements in workers' lives.

7) AWE could help unite and amplify the efforts of many different groups seeking equity today. Our mechanism for supporting ourselves -- how we “pay our way” in life – defines how we navigate society and is one of the most prominent ways we interact within the public sphere and claim our space. One’s work status and individual economic power intersect with all other identities: gender, race, class, familial status, age, health, ability/disability and more. **When we value workers and make work equitable, we affirm the dignity and equality of all people.** By building shared prosperity, we boost everyone’s life possibilities, freedom and personal agency. It’s in all our interests to work together and make AWE a reality.

8) With a robust media presence and online resources, AWE would educate millions of members and the general public about workers’ rights and the history of labor. It would **promote the truth about economic inequality** and its causes. It would expose under-the radar issues, policies and ballot measures harmful to worker welfare and provide user-friendly mechanisms for members to contact elected officials, sign petitions, etc. – and to block back-door maneuvers in state legislatures. AWE spokespersons would be highly visible, **countering anti-worker propaganda** that asserts the primacy of “the market” and demonizes labor. With compelling messaging and a savvy media presence, AWE would elevate the notion of **human-centered** measurements of economic progress.

9) AWE would present a low-risk, user-friendly way to revive the American worker “brand” and boost the positive identity of labor as the historical core of America’s success and strength. Joining a membership organization is a simple, voluntary, **private** decision. No one can threaten you with job loss if you join. Your boss doesn't need to know you’re a member. Neither does your neighbor. (But there would be plenty of AWE t-shirts, caps, decals and swag available to generate visible solidarity among those who take pride in being AWEsome.) There’s power in knowing you’re not alone. **AWE would boost workers’ self-esteem & pride across the populace – building a team worth joining.**

10) Finally, AWE could help to restore our democracy. An organized body of this size, with buy-in among broad sectors of American voters, could represent one of our last chances to turn the tide on the corporatization of government. The forces of inequality, unleashed by financial deregulation, Wall Street greed and Citizens United, must be vigorously challenged. **With millions of active members, AWE could be the viable challenger that leads us to shared prosperity, a stronger democracy and a vastly better American future.**

SAMPLE GOALS / MEASURES OF SUCCESS FOR AWE

- **Full employment**, with **wage growth** matching productivity.
- **Livable minimum wage** established for ALL work.
- Workers automatically **benefit from corporate gains** in profit and productivity.
- Employers required to include **front-line workers** in board membership/company leadership forums.
- **Work councils** and other representative structures established in all workplaces; lowest-earning employees have a voice in company decisions.
- **Revitalized unions** gain membership and influence while engaging in new partnerships for greater inclusion and impact.
- **Equal pay** for equal work; removal of the gender gap.
- Federal legislation that brings **overtime pay, vacation, paid parental leave, sick leave and other crucial worker standards to an acceptable level** for a developed nation.
- **Reduction in income inequality**, as a result of restoring the balance of power on behalf of labor.
- Tangible recognition of labor as **the core of America's success and strength**.
- Increase in **worker-owned cooperatives, employee stock ownership plans (ESOPs)** and other employee-empowered structures.
- **AWE's influence drives major progress on core working-class issues:**
Reduced or free college tuition, expansion of Social Security and Medicare, single-payer healthcare, environmental protections, increased funding of public schools, stronger safety net, voter rights protection, repeal of Citizens United, etc.

CHALLENGES

Courage

Creating AWE will require collective effort on a broader scale than possibly any prior organizing movement. It will take founders and donors who believe in **big change and disruption**. It will take the wholehearted buy-in and support of unions, organizations already engaged in worker justice, progressive foundations, wealthy allies and influencers. It will take guts to let go of silos, give up old ideas (and perhaps some entrenched power), and to come together to do what's never been done before.

Money

Start-up funding is crucial, and it can't be piecemeal. Building the enterprise-level digital platform AWE requires, hiring staff, establishing offices, marketing membership, delivering services, lobbying -- and doing it on the scale necessary for success -- will cost millions. A strong core of backers will need to commit to invest for the long haul, and AWE will need to develop sustainable long-term funding streams.

Scrutiny

AWE represents a threat to powers-that-be. We can expect it will be watched closely. Every detail of board membership, finances and outreach activities will be scrutinized. The nonprofit association functions and advocacy functions need to be structured appropriately to avoid any conflicts or missteps. Partnerships with other organizations will require careful compliance efforts. Staff and board members will need impeccable credentials and thick skins.

These challenges and many more await AWE. But imagine the transformational impact on an entire struggling nation if we were to build an epic workers' association like AWE right **NOW**. Imagine the sense of **empowerment** it would ignite in people who had lost hope of ever influencing the forces shaping their working lives. Imagine America, reborn.

Pro-worker think tanks, struggling unions, philanthropic foundations and well-meaning nonprofits can continue to launch separate initiatives and release yet more policy papers, reports and "national agendas" aiming to turn things around for American workers. **But by partnering with AWE, all these groups will multiply their impact and connect to the REAL LIVES of the wage-earning majority.**

We can make work **WORK** for our families, our communities & our future.

We can **reclaim** America for the wage-earning MAJORITY.

And our efforts will pay off for generations to come:

AWE represents a truly alternative system with ripple-out effects, capable of producing sustainable, lasting and more democratic social and economic outcomes for ALL.

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An economic arrangement that pays a Wall Street worker tens of millions of dollars per year to do high-frequency trading and pays just tens of thousands to workers who grow or serve our food, build our homes, educate our children, or risk their lives to protect us isn't an expression of the true value or economic necessity of these jobs.

It simply reflects a difference in bargaining power and status.

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-Nick Hanauer, *A Wealthy Capitalist on Why Money Doesn't Trickle Down*

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