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You don't need us to tell you that things are bad, all you have to do is read the newspaper or turn on the television to hear one doomsday story after another. And for many of us, the crisis is even closer to home, maybe your plant is on reduced shifts or maybe you've lost your job. But did you know that the crisis we face today is a direct result of 30 years of policies that have destroyed the middle class; the result of a plan to shift wealth from workers to corporations.

As bad as things are, we shouldn't lose sight of the fact that with this crisis we have a great opportunity to rebuild America. We can make the future work. The key is that good working class jobs are not the problem, as the Toyota Republicans might try to convince the nation. A strong middle class is the solution to our current crisis and we have a plan to rebuild the middle class.

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Read Bullets

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The economy is not like the weather, it doesn't just happen. Government policies become the rules by which the economy operates and have a very real impact on how the economy functions. The so-called "New Economy" has been with us since the mid-1970's so we have had thirty years to see how well it works.

The focus was on what they called free markets and the belief that individual self interest would lead to a stronger economy. We were told that "greed is good" and forced to accept policies that favored corporations. We were promised that the prosperity would "trickle down."

But these policies weren't "free." They cost us many of our manufacturing jobs and our middle class. You don't grow an economy by making a few people at the top rich. Main Street economics (or what is sometimes called Keynesian economics) understands that.

Main Street Economics was the dominant approach from the end of World War II until the mid-1970's and understood that "we all do better when we all do better." The market isn't free or fair but it does generate incredible wealth and innovation. We need government to establish policies that help overcome the market imperfections. For example, we need OSHA to make sure our workplaces are safe and we need labor regulations that protect the rights of workers. Real

economic growth is based on the prosperity of working families. When we work hard and earn a decent wage, we can afford to buy products which leads to more production...and so the system goes and there is a shared prosperity.

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In order to understand how we got here, you need to remember that there was a plan. The USW and the AFL-CIO have been talking about this for a long time. Some of you might have seen the economics presentation we put together, "Take Back the Economy."

This plan is defined by policies that have deregulated, de-unionized, globalized and privatized our economy. The devastating impact of all of this on working people has been disguised by debt-financed consumption. Think about it... how many of you have more debt than your parents did in the same stage of life? How many of you rely on credit cards to make it? And we were fooled into believing we had more than we did by asset bubbles... we thought the value of our home would just keep going up so we kept spending.

And for some reason or another, the whole world allowed and even financed our living this way. The explosive growth of China and our staggering trade deficit with them have contributed to our ability to consume more than we produce.

Warren Buffet describes our current circumstances...*Read Bullet.*

So what are the consequences of the plan?

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First, we have made moving money around more important than making things. The decline of manufacturing is a long term trend but it has accelerated as has the growth of finance in the last thirty years. The result is that the financial sector is now a larger share of our total economy than manufacturing.

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Secondly, for thirty years now, Americans have consumed more than they produced and as a result our trade deficit has grown to alarming levels. In an effort to maintain their standard of living, many people have welcomed cheap imports, but this trade imbalance is forcing us to trade away our future. The imports that we have been consuming have significantly undermined our nation's manufacturing sector, resulting in millions of jobs being shipped overseas and eroding our middle class.

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But now...the bubbles which fueled our unsustainable “prosperity” – which is short hand for the rich getting richer while the rest of us struggle – have all simultaneously popped, producing a seemingly endless chain of statistics, each worse than the one before it. The stock market has fallen 45%, the fastest decline since the depression. Home prices are down 17% – the largest decline ever and consumer confidence is down 45%--the largest decline ever.

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So what are we left with?

Read Bullets

CLICK

We have been losing 67, 000 jobs/month

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So how did all this happen?

At the end of World War II, a significant portion of American workers were represented by unions. Because unions were strong, all workers were able to get wage increases that reflected their greater productivity. As the pie grew, workers got their fair share. Everyone benefited and we all grew together. We were able to do this because we had the power to negotiate good contracts and because we had the political leverage to make sure that legislation worked for us.

But their plan has worked...

Beginning in the mid-1970's, as unions got weaker all workers lost their power and while productivity continued to go up and in fact went up even faster, none of that went to the workers and for a generation of workers wages have stagnated.

So where did all of the extra money created by increased worker productivity go?

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Once all of the bills are paid, there are two places for the money generated by a business to go – workers or owners. As workers lost their power to get their share of the pie, all of the growth in our nation’s wealth went to those at the top. As you see from the slide, in 1976, the top 10% of Americans had about 50% of the wealth. By 2005, the top 10% had 73% of the wealth. In fact, today in the United States the bottom half of Americans control only 3% of the total wealth in the country and the U. S. has one of the most unequal distributions of wealth in the western world. This is the largest redistribution of wealth in the nation’s history.

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The Result

Read Bullets

CLICK

Their plan was never sustainable...you can’t grow an economy by driving workers wages down and by destroying the middle class.

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With things as dire as they are, one would expect that the most powerful and richest government in the world would have stepped in to offer some relief. Unbelievably, however, in spite of nearly overwhelming evidence to the contrary, the “New Economy” philosophy continued to be believed by many of decision makers. So far the government has decided to commit \$8 trillion dollars to the folks on Wall Street who are responsible for the mess we’re in right now, while doing nothing to help the rest of us.

Fortunately...

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For the first time in most of our adult lives we have an ally in the White House who shares our vision of America. President Obama understands that the economic policies of the last 30 years do not work. As we have seen in the debate around the economic renewal package, we must fight like never before to make sure that he has the support to do what needs to be done to save America and Make the Future Work.

Despite all logic, some in Washington still believe that believe that the way we grow our economy is continue tax cuts for the wealthy.... We need a new way...

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And as dark as things seem, this crisis also represents an opportunity for us to take back our economy and our country.

Think about it, it was the crisis of the 1970's and early 1980's that let them put their plan in place; this crisis provides us the same opportunity and in fact...

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President Obama calls us to "pick ourselves up, dust ourselves off, and begin the work of remaking America."

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And now we have a plan to "Make our Future Work."

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As Paul Wellstone, former senator from Minnesota said, "We all do better, when we all do better."

For an economy to be sustainable, it must have a strong middle class at its core and we must make things. You see, while some will try to convince you that good middle class jobs are the problem with our economy, they are actually the solution to the crisis.

And your Union is the strongest, loudest and most persistent voice for America's middle class and we will be at the center of any effort to make sure that our voice is heard.

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The government must act quickly and decisively to stop this crisis from getting worse and it must take actions that ensure that we all share in the recovery. We need to insure that every American has health care, we need to restore a progressive tax system, we need to make sure trade regulations are renegotiated to be fair, but...

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We must do first things first.

The thrust of our Union's efforts will be twofold. First, with our allies we have come up with a plan outlining the government financial intervention that Main Street needs to get moving again and we need to be sure our tax dollars stay at home, so we need to be sure that as we rebuild America we do so with goods made in America so we create jobs at home. As you will see, we were way out in front on this issue and what President Obama has supported is very similar to our proposal. *(By the time you present this program, the "stimulus" package might be in place so may need to slightly alter the above.)*

And as the economy begins to improve and grow again, we need to insure that everyone benefits. The wealth generated by an economy can either go to workers or it can go to the owners. The only way workers have the power to get their share is when they are represented by a union, so legislation that protects workers rights to form a union and helps them get a first contract is a necessary piece of the recovery.

Buy America programs and increased union density are sound economic policies and the best way to make sure that any stimulus package created by our government has the intended effect of boosting our economy. If the money all gets shipped overseas for the purchase of imports or simply gets transferred to the wealthy, it will not be effective in boosting the U.S. economy.

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So let's begin by considering how an economic renewal package coupled with a buy America program will help with "Renewing America." Just keep in mind that when we talk about "Buy American" we are talking about it in the most broad sense...we should source materials domestically.

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Our plan for Main Street recovery is not a bail out and it is not free money like the hundreds of billions given to Wall Street. It is an investment in all of our future. Our plan helps create jobs immediately and improves the competitiveness of the U.S. economy for the future. That benefits all of us. It is a plan to Make the Future Work.

(Read through bullets of plan)

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Let's just take a minute to think about why "buy America" provisions are so key to any economic renewal package working.

We only achieve the promises of infrastructure development and green industry if work is sourced in the US. Think about it (*refer to graphic*)... if we are working on bridges or schools or windmills...we know that will create some jobs, but how many other jobs will it support. Let's take steel as an example. If we send our dollars to the European Union, Turkey or China for steel, that will create jobs there. Those jobs will help grow their respective economies and help the shipping industry. But, it will do much less than it could to help us at home and we will be left with unemployment lines and the debt incurred from the stimulus. But, imagine if, for example, the 250,000 tons of steel in each wind mill is from the US? If we make sure all that work stays at home...our economy grows.

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But an economic renewal package, even with Buy American provisions, does not insure the growth of the middle class. That's why the Employee Free Choice Act is the corner stone of rebuilding the middle class.

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Read slide

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The Employee Free Choice Act will help level the playing field. It will do the following...

Read bullet points

So how does this help us rebuild the middle class?

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We know that unionization helps raise workers' pay and narrow the income gap. Union workers earn 30 percent more than nonunion workers, according to the U.S. Department of Labor's Bureau of Labor Statistics. The median weekly earnings for full-time wage and salary work in the unionized sector was \$833 in 2006, compared with \$642 for their nonunion counterparts.

But, the union wage benefit is even greater for minorities and women. Union women earn 31 percent more than nonunion women, African American union members earn 36 percent more than their nonunion counterparts, for Latino workers, the union advantage equals 46 percent and for Asian American workers, the union advantage is 8 percent.

So unionization helps grow the middle class by helping individuals increase their wages, but...

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As this chart makes clear, as the percentage of unionization increases, the inequality in an entire society also declines...both because wages have increased but also because we regain our power to get policies passed there are friendlier to working people.

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So given that it is so clear that unionized workers do better and a higher unionization rate leads to less inequality in a society, why don't all workers unionize?

As many of us here are painfully aware, every day, employers wage brutal campaigns to block workers from making their own decision about whether to join a union. They poison the process so badly that there's no way employees can really make a free choice.

Read bullet points

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So who is fighting to keep these rights away from workers?

Union busters have long existed. Think of the Pinkertons: During the labor unrest of the late 19th century, they would do things like incite riots on picket lines so the government would have a reason to break up strikes.

As the decades went by and unions gained strength, the industry wasn't as brazen. That, of course has changed dramatically in the last couple decades when we've seen the Pinkerton mentality rise up again.

Today's union busters employ sophisticated tactics. They operate under the radar intentionally, providing the employer's managers material and instructions to carry out the anti-union campaign to workers. Today, according to American Rights at Work, 82 percent of employers hire high-priced union-busting consultants.

Here are some of the key players:

Corporate Anti-Union Legal Firms like Jackson Lewis - One of the most notorious union-busters. Currently criss-crossing the country with high-priced (and well-attended) seminars that coach corporate execs on "How to Stay Union Free."

The Center for Union Facts - Headed up by Rick Berman, former lobbyist for the tobacco industry, alcohol industry (where he took on Mothers Against Drunk Driving for weaker drunk driving laws), and has worked on campaigns to stop increases in the minimum wage. Runs a \$10 million a year lobbying agency, but doesn't disclose where the money comes from.

You have probably already heard of the National Right to Work Foundation - they go state to state attempting to pass laws to weaken labor unions.

Those are the folks that are working against the rights of workers to form and join unions. And why are they fighting us? Because they have had it good for the last 30 years...CEO pay has been up and inequality has been growing...and they like that!

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So it really is quite simple. We need to stimulate the economy and have buy America programs to insure that the maximum number of jobs are created here at home. But workers must also have the ability to organize so that those jobs are good middle class jobs...because without middle class jobs we cannot fulfill the promise of America.

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Our plan will not only help us get out of the current crisis, but it will help us build for the future.

Our plan will work because it is grounded in good economics and in policies that lead to shared prosperity. This plan will work because...

(read bullets)

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So how do we transfer our strength into power? How do we make sure that as we move forward we do so in a direction that workers for workers?

That's what our "Make our Future Work" campaign is all about....

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Not only do we have a plan of what to do but we have plan of how to make it happen. While Rapid Response continues to do their work to education and mobilize member around the Employee Free Choice Act, each District is developing its own plan of how to move our agenda forward.

Here you see workers in Granite City protesting for Buy American provisions that would likely put workers back to work in the Steel Mills there...and that would help all workers in town.

We see USW members lobbying and a flier we are using to promote our Buy American resolution. We are asking elected representatives in cities, towns and communities all across the country to commit to Buy American as we work to renew our economy.

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Want more information? Go to www.makeourfuturework.org to get information and to download materials.

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As President Obama says, "change happens because the American people demand it."

Today, we are asking you to join our campaign...

Here you should discuss what is happening in your district

I will be passing out these cards. I would like all of you to fill these out and if you are willing to join us in beginning the work of rebuilding our economy, please choose an item to volunteer for. If you are already working on the campaign, just write in what you are currently doing.

Thank you for your time -

Any questions and comments?