

# Obama's union mates

Barack Obama's first act was to massively change American labour law. And it's only gotten worse since, writes **Brian M. Johnson**.

**T**he 2008 election in the United States has been called several different things. Many Republicans and center-right activists called this the '401(k) election' due to the different tax and investment treatments the two candidates proposed. Those on the left, who were tired of the Bush Administration, are referring to this as the 'Take Back the Flag' election. The Obama powerhouse coined the million-dollar word: 'change'.

The U.S. government is continuing to grow in both size and scope at an alarming rate, as the economy continues on its recession-bound spiral. The unemployment rate is at a staggering nine per cent (not seasonally adjusted) as of March 2009. The U.S. Capitol Building has transformed into a proverbial ATM machine—dispensing cash on whom whenever a crisis appears (or whenever the proper special interest groups come knocking at the door of the US Treasury).

However, these are minuscule when compared to the monumental changes in labour law, tort reform and pro-union environmental legislation that President Obama has passed and is currently proposing.

In the first bill he signed into law as President, Obama opened the door for the trial lawyers by passing the *Lilly Ledbetter Fair Pay Act*. This bill allows pay discrimination lawsuits to proceed years or even decades after the alleged discrimination took place. For example, if a woman believes she experienced wage discrimination in the 1960s, she may now file a lawsuit to that effect claiming back wages and damages, with interest, for over 40 years of potential lost wages.

This Act will open the flood-gates to endless lawsuits and endless employment for the trial lawyers. Employers will now re-write their entire human resources processes in

an attempt to avoid, years later, being sucked into one of these cases. Trial lawyers will begin trolling the history book looking for cases that maybe, possibly, could have been a pay discrimination filing and pursue the alleged 'victim' to see if they wish to file a lawsuit.

According to the Center for Responsive Politics, since the 2000 election, American labour unions have contributed close to \$600 million to Democratic candidates across the country. Labour unions contributed a total of \$52 million in the 2008



Congressional political cycle. Ninety-one per cent of that went toward Democrats, with only 9 per cent going toward Republican candidates. The largest 527 group contribution in the 2008 cycle was from one of the most ferocious unions and a staunch Obama supporter: \$18 million from the Service Employee International Union.

U.S. labour unions once comprised more than 35 per cent of the American workforce in the mid-1950s. Today, they account for a mere 12 per cent of the total working population and are falling. As a result, Big Labour bosses are becoming increasingly ferocious in their efforts to keep and increase their free-flowing stream of union dues and are calling on their friends in the White House for help.

While overall U.S. union membership is down about 23 per cent since its heyday and individual private sector union rates are down to around 8 per cent from a high of 24 per cent in 1972, public sector unionisation remains the silver lining for organised labour. The unions' hopes lie in the hands of the elected officials on whom they spent so much money to put in office.

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DoD Photos | Tech. Sgt. Suzanne Day

Barack Obama and Michelle Obama make their way into the U.S. Capitol

In keeping his allegiance to the labour union movement, Obama has always supported a misnamed piece of legislation called as the *Employee Free Choice Act* (EFCA). In a press release on June of 2007, from the campaign trail, he stated this Act 'will allow workers to form a union through majority sign-up and card-checks' and that the 'choice to organise should be left up to workers and workers alone.' This is known as a 'game changer' in the United States. If passed into the law, the EFCA will radically alter labour relations for the next one-hundred years and the US economy will drastically suffer. However, this is not how it is being advertised of course. Make no mistake—if EFCA is passed into law, the decision to join a union will not 'be left up to the workers' as Obama claims.

Here is a more likely scenario of what will happen if this Orwellian-named piece of legislation becomes law in the United States:

John Doe is a Republican who was born and raised in North Carolina, a Southern right to work state in the U.S. This means that Mr. Doe was never forced to pay union dues as a condition of employment. In non-right to work

states, employees are forced to pay dues to the union simply to keep or maintain a job in that state if their company happens to be unionised. Mr. Doe wakes up one morning to learn that the U.S. House of Representatives and the U.S. Senate have passed EFCA and that President Obama gladly signed this bill into law.

Mr. Doe goes to work the next day, and there are very large, union men telling the workers to sign a union card. Before EFCA, the union would have had to get at least 30 per cent of the workers to sign a union card to trigger a federally supervised private ballot election.

Now, the private ballot has been replaced with a process known as 'card check,' which allows a union to officially be formed if a majority of workers do nothing more than sign a card. Every single vote under the Obama card check administration is made public to the employer, the union organisers, and to all co-workers. Mr. Doe is the deciding vote against unionisation.

The union bosses will know how Mr. Doe voted. The wives of the union organisers, who teach Mr. Doe's children, will know if he opposes them. The organisers' sons work at the grocery store

where Mrs. Doe shops. His best friends at work, will all know how he voted. Mr. Doe knows there is no way he can safely protect his family and even himself if he opposes the union, because everyone will know it was he who prevented their workplace from being unionised.

His friends know Mr. Doe is a Republican. They tell their families that Mr. Doe opposed the union. Unions will know exactly how he voted, and that makes intimidation more than an empty threat. Mr. Doe reluctantly signs a union card. And that's all it takes. No election, no federal supervision; simply a couple of rough union organisers and some cards.

This scenario will repeat itself over and over again all across the nation. Unionisation will at least double and estimates show that within the first year, if signed into law, EFCA will cost at least 600,000 American jobs. A crowbar replaces democracy as a tool for the union organiser.

Obama wants to continue to change things in the United States, and that doesn't stop with labour law. With the entire world swept up by this new 'green' phenomenon, Obama wants to change the way we become more environmen-

tally friendly. Of course by 'change', the President really wants to make sure those who put him in office receive the proper paybacks. There is a current law called the *Green Jobs Act* that only allows union members to be eligible for training grant funding. The only people who can perform these new 'green jobs' are those who are trained to do so; and according to law, the only organisations who can receive federal funding for this training must partner with an organised labour union. The *Green Jobs Act* states that:

(ii) *ELIGIBILITY- To be eligible to receive a grant under clause (i), an entity shall be a non-profit partnership that—*

*(I) includes the equal participation of industry, including public or private employers, and labor organizations...*

This provision directly stifles competition by excluding non-union workers, giving those affiliated with labour organisations an unfair advantage over a majority of the Americans.

As a result, millions of workers will find it nearly impossible to survive in this turbulent economy and will not be able to meet the growing demand for more energy efficient technology.

The original goal of the *Green Jobs Act* was to support workforce training that would advance and promote energy efficient technology. How can Obama expect America to succeed in meeting this goal if we do not allow private sector construction workers the ability to use these crucial training resources? This change now excludes over 90 per cent of the working population in America from competing in one of the fastest growing and highest paying construction fields not only in the U.S. but abroad.

Obama has paid back the environmental-left wing establishment, but that was after he drastically rolled back the tide on tort reform with the *Lilly Ledbetter Act*. Obama has successfully changed discrimination law and rolled back conservative tort reform efforts for decades.

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## Reckless stimulus: lots of money, almost no accountability

**Timothy Brown**

If you wanted evidence of the recklessness of the Obama administration's approach to economic policy, you need look no further than its response to the global financial crisis. Obama's stimulus package, otherwise known as the *American Recovery & Reinvestment Act* (ARRA), has brought with it a number of daft and unproductive ways for large sums of money to be siphoned off with no apparent benefit. In particular, it is the limited guidance provided by the White House to the organisations doing the spending, and the lack supervision of how these same organisations are dealing with the public funds, that is leading to such large wastage. The following examples show this.

First of all, \$300 million in stimulus funds has been provided to organisations with a history of poor book-keeping and the improper spending of public monies. *USA Today* found that ARRA funds have been provided to 61 housing agencies that have been previously criticised by auditors to have mishandled government aid. Apparently the Obama Administration had permission from Congress to withhold funds from housing authorities for such reasons as poor financial management. But the Department of Housing and Urban Development chose to release the funds anyway because, according to spokeswoman Donna White, 'they [the housing authorities] should have the opportunity to improve their housing'.

The lack of proper guidance from the White House on how stimulus funds should be spent means that monitoring the spending has been left to individual states. However, state auditors are unable to keep up with the workload created by the stimulus package, which means that states have been forced to hire independent accounting

firms to do the work. And so, to pay for this, the states are requesting further funding in addition to the stimulus monies to pay auditors to monitor how the funds are utilised, all because the Obama administration did not think to provide proper guidance.

There are also the lobby group putting their hands up for some stimulus money. *The Wall Street Journal* reported that the asphalt and concrete industries are fighting over how the government should spend billions on repairs for roads and bridges. But Ilya Somin from George Mason University has pointed out that this is forgetting the highway bill Congress passed just three years ago in 2005. The \$286.4 billion program is the largest public works program in US history, and was described by President Bush and the leaders of both congressional parties as the bill that would fix America's infrastructure problems.

Finally, there is the new industry sprouting up based on finding ways of spending stimulus funds. Mark Steyn has reported on the creation of new jobs at one community centre in rural Vermont to:

- Co-ordinate new programs based on the ARRA;
- Write new grant applications to augment stimulus funds to help develop the new programs funded by the stimulus; and
- Raise public awareness for the new stimulus funded services.

And so Steyn writes that:

If you wanted to stimulate the economy, you'd take every dime allocated to [local]... counties under ARRA and divide it between those households. But, if you want to stimulate bureaucracy, dependency and the metastasization of approved quasi-governmental interest-group monopolies as the defining features of American life, then ARRA is the way to go.

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