

# The fight among low-wage workers for a living wage and the implications of Michigan's new right-to-work law

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Protesters outside Walmart in Secaucus on Black Friday. Credit: Jeffrey Perlman

Hundreds of fast food workers recently took to the streets in New York City to protest low wages that leave many earning below the federal poverty level. The demonstrations come on the heels of a wave of worker protests at Walmart, which were the largest the retailer had ever seen. Organizers said demonstrations were held at 1,000 Walmart stores in 46 states to protest low pay, poor benefits and the company's general treatment of its workers. Janice Fine, a professor at the School of Management and Labor Relations, says the recent protests mark a shift toward organizing low-wage workers who previously had not been part of the traditional labor movement. She also weighs in on the right-to-

work law recently adopted in Michigan, calling it part of a strategy to weaken the Democratic Party by going after the institutions that support it.

**Rutgers Today:** What are the issues workers are facing that have led to the recent wave of [protests](#)?

**Fine:** Jobs that are being created are low-wage jobs and people can't live on them. Everyone talks about the [American dream](#) where earlier generations used their hard work and muscle to be able to work their way into the [middle class](#). The problem today is, given low [wages](#), the absence of benefits, and the growth of contingent and part-time employment, the ladder into the middle class is missing some important rungs.

It is a dire situation. There are all these workers who don't have access to traditional institutions such as unions that once helped people move into the middle class. Between the 1950s and 1980s, there was a golden era when standards of living kept rising along with productivity. Because workers were in labor unions, they were able to ensure that some of the surplus went into the form of higher wages, benefits and pensions. The market has no intrinsic morality, so it is up to the institutions that represent workers to provide vehicles through which they are able to band together and press for a higher standard of living.

**Rutgers Today:** Is the movement to mobilize low-wage workers new or is there a reason these efforts are gaining more attention?

**Fine:** I think the Occupy movement reinvigorated a discussion in the United States about economic inequality. There were organizations that were actively working on these issues. Some were unions; some were community-organizing groups; and some were coalitions of faith communities. Worker centers, community-based worker organizing

projects that engage in a combination of service, organizing and advocacy, have also emerged. So you've got the energy of Occupy, which is an emergent movement, uniting with institutions that have been on the ground patiently working. And there is the recession, the fact that these are really hard times. It is the coming together of those things.

**Rutgers Today:** How did we get to the point that the [minimum wage](#) is no longer a living wage?

**Fine:** Since President Reagan was in office, we have raised the minimum wage only three times. Reagan opposed the minimum wage and he knew he couldn't get rid of it, so instead of abolishing it he didn't raise it for all those years he was in office. The minimum wage was created as part of the Fair Labor Standards Act of 1938 because there was a recognition that for the United States to recover from the depression there had to be some standard that no worker should fall below. In order for it to be a minimum wage, it had to keep pace with inflation. What Reagan did was decouple the minimum wage from the cost of living. Now we have a situation where the minimum wage isn't the minimum wage. It ceased to be a tool of progress a long time ago, and it's laughable that we still call it the minimum wage.

**Rutgers Today:** What are some of the obstacles for workers who want to organize?

**Fine:** It was always difficult to organize unions because of employer opposition, but it was easier when you had a large number of workers working for a single employer in one confined space – think auto or steel. In the service sector it is common to have a whole bunch of medium and small employers, many working for subcontractors and scattered work sites. The hardest thing about organizing in the service sector is that these labor markets are overwhelmingly non-union. If you organize one employer at a time, they will not be able to compete so you

have to organize across many firms at the same time in a labor market in order to bring wages and conditions up.

The other issue is immigration status. The silent compact between employers and employees is simple: In exchange for corporate indifference to their legal status, workers would not make a fuss about conditions or compensation. America's immigration policy – one that simultaneously made it harder for workers to come legally while casting a blind eye on employer hiring and management practices – became, until quite recently, one of her central de facto labor market policies.

Millions of workers, many of them people of color and immigrants, are laboring on the very lowest rungs of labor markets with few opportunities for upward mobility in jobs characterized by long hours, low wages, high rates of injury and sweeping violations of workplace laws.

**Rutgers Today:** What about the vote that was just held in Michigan to pass a right-to-work law?

**Fine:** I agree with President Obama that the law should really be called the "Right to Work for Less. . ." Those who have championed the recent spate of anti-union laws at the state level are following a long-term strategy of systematically trying to move public policies in state legislatures that will weaken the [Democratic Party](#) institutionally. I think it is sad because the right to form unions and the right to engage in collective bargaining are fundamental democratic rights – and elected officials once upon a time agreed that American workers and all [workers](#) are better off when they have these rights.

Provided by Rutgers University

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