



## LABOR, CAPITAL AND CONSISTENCY

Sunday, May 24, 2009

*Every weekend CUIP's president Jacqueline Salit and strategist and philosopher Fred Newman watch the political talk shows and discuss them. Here are excerpts from their dialogues compiled on Sunday, May 24, 2009 after watching selections from "The NewsHour with Jim Lehrer," and several Charlie Rose interviews.*

**Salit:** Let's start with Andy Stern\* and the new labor movement. Have you seen Stern interviewed before?

**Newman:** I don't think so.

**Salit:** I haven't either. He's a controversial figure in the labor movement and his controversy stems from the fact that he took a huge chunk of member unions out of the AFL-CIO and set up a separate federation.

**Newman:** And he doesn't smoke a cigar.

**Salit:** And he doesn't smoke a cigar, at least not on TV, because he's creating a new image of a labor leader. So, Charlie Rose says to him, what's the difference between you and traditional labor leaders, between you and John Sweeney, for example. And he says, 'Well, we're all for struggling, we're all for mobilizing, but we also want to win, and my vision for the labor movement is that we try to adopt new strategies and new ways of looking at issues so we can win.' What does that consist of? Well, says Stern, being able to seek common ground rather than confront the corporations, the employers. On his model, you probably don't call them "the bosses" anymore.

**Newman:** He's essentially saying that labor has to be more cooperative with management, which was not the old posture of labor.

**Salit:** Yes.

**Newman:** We have to cooperate with management if we want to maximize the benefit for everybody. Isn't that what he's saying?

**Salit:** Yes. We have to act like stakeholders in this society. We're the co-creators of wealth, and we have to assert our interests in corporations doing well and cooperate to create better conditions for working people. He would argue that this strategy is the approach that you have to take, given the changed circumstances in the world. What do you think of that argument?

---

\* Andrew L. "Andy" Stern is the president of the Service Employees International Union (SEIU), the largest and fastest growing union in North America. Stern was elected in 1996 to succeed John Sweeney.

**Newman:** Well, I think it's perfectly reasonable. To state the obvious, it's not just a tactical difference that he's raising. He's raising a strategic difference. The trade union movement has its roots, not just in a tactic of struggle, but in a strategy of struggle.

**Salit:** Yes.

**Newman:** Put another way, it has its roots in the progressive movement, in the socialist movement, in the communist movement, whatever language you want to use. So, the strategic struggle was over who's going to have power, Labor or Capital, and that impacted on the labor movement's posture for hundreds of years. But that has changed. Not for everybody. But in general, that's changed. You can consider that either a great victory or a great loss.

**Salit:** Meaning?

**Newman:** You can see it as capital having won but only by making very substantial concessions to labor.

**Salit:** Right.

**Newman:** Or you can see it as both sides having recognized that you've got to change the model for the good of everybody.

**Salit:** Right.

**Newman:** But in any event, the model has changed. Some people are screaming at Stern – and at Sweeney, too – because the model has changed. Some on the left, not just crazy leftists but even cigar-smoking union bosses are saying that, 'Labor is all about struggle. Whatever benefits we have come from struggle.' And there are some who say 'Not any longer. The struggle has gained us a certain position and now we have to make a paradigm shift to a certain level of cooperation. Not because we've lost, but because the world has changed.' So, I think Stern represents the best of this new kind of labor leader. How to evaluate where that goes? It's hard to say. We'll have to wait and see.

**Salit:** Stern's Change to Win Federation made a very, very big play with Obama. As I recall, the SEIU didn't make a national endorsement in the primaries. They let their locals do what they wanted to do around the country, and numbers of them supported Obama. But in the general election they put \$85 million dollars on the table to campaign for Obama, and they have a big stake in the Obama White House.

**Newman:** Obama's their kind of president. They're simpatico on this question of the new vision of the world.

**Salit:** And how would you characterize that? What is Obama's thinking on organized labor as part of a strategy for economic recovery?

**Newman:** A lot of commentators are asking that. I don't think it's so complicated. It's a vision which goes beyond the old paradigm of seeing the choice, in the end, as either socialism or capitalism.

**Salit:** OK.

**Newman:** Obama's new paradigm is that significant elements of both are going to be turned into a new world synthesis, a synthesized version of capitalism and socialism and that's not far away from what Stern and many others believe and what many in the world believe. And Obama thinks that he has both the responsibility and the capacity to play a significant role on the world stage in creating it. At some level, Obama must think that his role is to shape this new paradigm into a pragmatic workable one. And he wants to do that everywhere in the world.

**Salit:** Interesting.

**Newman:** With the full recognition that that's going to be hard to do in numbers of places, particularly in the Middle East, but nonetheless that is what he's looking to do. And, it's a new day. By the way, I'm not agreeing with this. I'm just trying to describe it.

**Salit:** How would you characterize what is going on in the world?

**Newman:** That's what I'm characterizing, what's going on.

**Salit:** Are you agreeing that it will work?

**Newman:** I'm not agreeing that it's going to work.

**Salit:** OK.

**Newman:** But that's what's going on. And it might work for some time, and I'm even agreeing that it might be what's needed right now to get the world over the hump of the current crisis. But I don't know that it's where things have to wind up. I think the interests of capital are, in some fundamental sense, antithetical to the interests of labor.

**Salit:** So, in other words, it's not clear there can be a workable synthesis?

**Newman:** Yes. But that's a different discussion.

**Salit:** So Charlie says to Stern, 'Why do we need unions?'

**Newman:** Answer: Because we can't trust management.

**Salit:** Well, I guess Stern's answer was to say that it's been the best mechanism for distributing wealth. There are three ways through which wealth is distributed: through the market, through government and through unions. The unions, Stern says, have been the most effective long-term anti-poverty program in the history of the modern

world. I suppose that's another way of saying we can't trust management to distribute wealth fairly on their own.

**Newman:** Obviously. And it's another way of saying that unions are compatible with poverty.

**Salit:** We watched an interview with Jon Meacham who just interviewed President Obama. It was featured in last week's edition of *Newsweek*. The talk all week long on the shows has been about Obama's handling of national security issues, his decision to close Guantánamo, setting up some form of "prolonged detention" to handle the detainees once they've been moved out of Guantánamo, etc. and the troop buildup in Afghanistan. Obama gave a talk this week in which he said we don't have to sacrifice basic American values for our national security, nor do we have to sacrifice our national security for basic American values. Former Vice President Cheney responded, in a polemical way, 'There's no middle ground. The president's looking for a middle ground, but there really is no middle ground on these issues. You've either got to protect the country and do whatever you have to do to protect it or not.' Can Obama find – I'll use Cheney's word here – a middle ground that holds on to basic premises of the American experiment and judicial system and still protect the country?

**Newman:** He's already found the middle ground.

**Salit:** OK. And, the middle ground is?

**Newman:** He got himself elected President of the United States. And now he's the commander-in-chief. So, case by case, situation by situation, he decides what is to be done, and the policy emerges from those varied and complex decisions. It makes me think of David Frost's now famous interviews with Richard Nixon, in which Nixon says, 'If the president does it, then it's legal.' Well, Nixon was wrong. It's not legal because the president does it. The president must adhere to the law. But, it is the case, if you're commander-in-chief, that you don't have to adhere to any laws of consistency.

**Salit:** True, you don't.

**Newman:** You can just make decisions. People might say of any decision *Wait! That's inconsistent with what you said last week.* And he can respond, *That's what the commander-in-chief does. He faces different situations and has to make specific decisions.*

**Salit:** I support him doing that 100%. Is there a problem with that? Because part of the discussion is that there's a problem with it, a moral problem or a political problem or something, but that there's something wrong with that.

**Newman:** Well, if you elevate consistency – and some people do – to a position of extraordinary importance that overrides everything, then you can think it's a problem. If

you think “a foolish consistency is the hobgoblin of little minds,”\* then you don’t worry about it that much.

**Salit:** Charlie Rose said to Jon Meacham, you spent a half an hour with Obama on Air Force One, what were your impressions? And one of the first things Meacham said was that Obama was more hawkish than he was expecting. He made the point that there’s a difference between being a candidate running for president and espousing a philosophy and a view saying “I’m going to get out of Iraq” and saying “The war was a mistake” and then finding yourself to be commander-in-chief. He describes that as more hawkish. Perhaps Meacham was looking for a kind of consistency.

**Newman:** He was. But, Obama is something of an enigma. He does not want to be limited, even by his own commitments.

**Salit:** Right.

**Newman:** He’s self-reflective. Yes, he’s very liberal in his posture. He’s dovish in his posture. But he has a very intelligent recognition that you can’t do that with any kind of consistency given the position that you’ve managed to get yourself into as Commander-in-Chief of the United States of America.

**Salit:** Exactly.

**Newman:** So, can you rule the greatest power in the world today and perhaps ever in history, the United States of America, with that posture? Well, Obama is extremely self-confident. He thinks that he can. I don’t know if anybody else can.

**Salit:** That’s a very good point.

**Newman:** It’s like asking the question in 1861 *Will Abraham Lincoln get away with a civil war?* Well, he did. Could anybody else have gotten away with the Civil War? I don’t know.

**Salit:** So connected to this, they got into a discussion about Obama’s vision. And Charlie Rose said to Meacham, ‘Where is he going? Where does he want to take the country?’ Meacham answers ‘He sees himself as a transformational president.’ And then Charlie says, ‘Transformational to what?’ And Meacham says, ‘To paraphrase another president,’ (Bush 41) ‘to “a kinder gentler nation.”’ He wants to try to move America to a place where the majority of the population have their needs taken care of so that they can live their lives as they choose and that America is an environment that fosters that and participates in the world in that way. You haven’t met Obama, but how would you answer the question *Transformational to what?*

---

\* The quote “A foolish consistency is the hobgoblin of little minds, adored by little statesmen and philosophers and divines” is from Ralph Waldo Emerson, *Essays: First Series. Self-Reliance.* (1841)

**Newman:** Well, I would say Meacham's answer is a part of the answer. But, I would say that it's mixed with an equal amount of another answer. Where does he want to take us? Answer: in the sense of the old Negro spiritual, *To the other side*.

**Salit:** OK.

**Newman:** To the other side. I think Obama does have a vision but he has an awareness that his vision, like all visions, is long-term, and he has to deal with what's going on in the world and in this country right now.

**Salit:** Yes.

**Newman:** But, we've got to be taken to the other side. It's a mixture of those two.

**Salit:** Small question to wrap up. I was struck when Meacham said of Obama, 'Well, he beat the Clintons. We tend to forget that.' And, as you recall, I blurted out at the TV, 'No, we don't.'

**Newman:** Basically, your response indicates that Meacham is right.

**Salit:** Because?

**Newman:** If we have to always remind everybody of it, there must be some element of truth in saying everyone's forgotten it.

**Salit:** Good point. Thank you.