

AFL-CIO Industrial Union Council Leads Charge to Save Manufacturing

The 12 unions of the AFL-CIO Industrial Union Council (IUC) continue to lead the charge to rebuild U.S. manufacturing by aggressively confronting Bush administration trade policies and developing strategies to mobilize workers to build on the momentum of the 2004 election, where manufacturing was in the forefront of national consciousness.

The crisis in manufacturing continues to grow. Manufacturing employment fell to 14.3 million in March 2005, lower than it was in 1945. The United States has lost 2.8 million manufacturing jobs since President George W. Bush took office in 2001. Unionized manufacturing jobs have been hit especially hard, falling from 28 percent of all manufacturing jobs in 1983 to only 13 percent in 2004.

The roots of the crisis include flawed trade policies, unfair trade practices, an overvalued dollar and tax policies that put U.S. manufacturers at a competitive disadvantage, drive up the trade deficit and encourage American firms to move factories and jobs offshore.

Fighting unfair trade policies

The IUC is actively lobbying against the Central American Free Trade Agreement (CAFTA), President George W. Bush's top trade priority this year. If approved, CAFTA would extend to Central America and the Caribbean the disastrous job loss, increasing inequality and environmental damage caused by more than a decade of the North American Free Trade Agreement (NAFTA). IUC member unions joined thousands of working families in a national CAFTA Call-In Day in April to tell Congress to stop the proposed trade deal. Workers will continue lobbying against CAFTA during the IUC legislative conference in May.

Taking on China

IUC unions also are backing the Chinese Currency Act of 2005, which would define currency manipulation as a violation of existing U.S. trade laws and World Trade Organization rules. It also would require the U.S. secretary of defense to identify when products imported from China threaten U.S. businesses—including many manufacturing operations—vital to the nation's security.

Since 1995, China has artificially pegged its currency at about 8.28 yuan to \$1 rather than letting the international financial markets set the exchange rate, as do virtually all other nations. Undervaluing its currency—some experts say by as much as 40 percent—gives China an unfair advantage in the international marketplace and is a main cause for the record \$162 billion U.S. trade deficit with China last year.

State and local strategies

To help local unions build on the momentum of the 2004 election, the IUC has developed state-based strategies for manufacturing. Its new white paper “Revitalizing American Manufacturing: A State and Local Strategy” and its model state legislation, the “Jobs, Trade and Democracy Act,” contain steps union members can take to save manufacturing.

The IUC also is producing state job loss reports. Two new reports for Minnesota and Missouri are nearing completion. The IUC is also working with the Michigan State AFL-CIO to help develop a report utilizing IUC database and research tools.

For more information and hands-on tools, visit www.aflcio.org/manufacturing.



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