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THE RISE AND FALL OF FULL EMPLOYMENT:

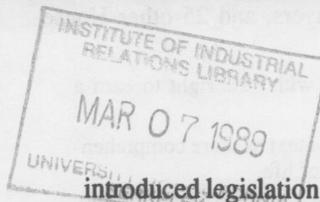
Part X: Current Full Employment Legislation—HR 1398 and HR 2870

by Bertram Gross

Late in 1981, Representative John Conyers wrote to me that he wanted legislation to establish human rights, "above all, the right of every citizen to a productive and fulfilling job at fair wages." He also wrote that he wanted to get away from "all the old traditions of top-down, elitist, and technocratic planning." At the time I was having difficulty visualizing a truly democratic national planning approach that would promote more initiative by cities, counties, and states, and less centralized, oligarchic federal power.

I had been working with various members of the New York City Council on a local ordinance titled "The Community-Based Planning for Jobs and Balanced Growth Act of 1981." Its major principle was an adaptation to city government of the formal machinery of the Employment Act of 1946. The chief executive—in this case the Mayor—was to present to the legislature (the City Council) every year "a broad perspective plan for jobs and balanced growth . . . for the ensuing four fiscal years." As a guide to job expansion, the bill set forth a long list of needed goods and services—from housing rehabilitation and weather proofing and recycling projects to infrastructure repair and maintenance. The bill authorized indirect subsidies for these projects by using publicly-available certificates of necessity.

At the same time, Representative Conyers was reacting in very positive ways to the actions of the Reagan administration. He had



introduced legislation to democratize the Federal Reserve system and to shorten the work week through staged reductions in working time without loss of weekly income. Now he was interested in writing a new full employment bill, and thought that some of the ideas in the New York City effort might be useful.

A New Legislative Effort Begins

Thus began another two years of intensive drafting, consultation, meetings, and re-drafting of full employment proposals. At every point in this process there were interesting and useful new ideas from Neil Kotler, Representative Conyers' legislative assistant, and from Frank Collins, a retired University professor who had joined Conyers' staff. Our end result was a 38-page omnibus measure titled "The Recovery and Full Employment Planning Act." While this draft got wide circulation, it was essentially an educational instrument—a stimulus for further discussion, and not a bill that Representative Conyers was prepared to introduce.

One group used our omnibus bill as an organizing instrument to help overcome the apathy and cynicism of the jobless, and to help build a more progressive political movement. JOIN (Jobs Or Income Now), an organization of unemployed workers from steel and other basic industries, also wanted to bridge the gap between full employment policies and welfare policies. Their members were working with Harold Washington, the newly elected Representative from Chicago's South Side, on a "jobs or income bill." After Washington was elected Mayor of Chicago, JOIN reps worked with Charles Hayes, who succeeded Washington in the U.S. Congress. Hayes had been an elected official of United Food and Commercial Workers, and he wanted to respond quickly to JOIN's interest in a short bill which could give a start to a new campaign.

In a few days' time, we carved a short bill out of the omnibus measure, and made the major improvement suggested by JOIN. We brought together the two fundamental human rights that had long been regarded as competitive with each other: namely, "the right to earn a living at decent real wages," and "the right to an adequate income for adults unable to earn a living through paid employment."

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Provisions of HR 1398

The measure was first introduced in 1984 as HR 5814, the "Income and Jobs Action Act." Two years later, after a "Quality of Life" conference in Berkeley (under the auspices of the Afro-American Studies and the Peace and Conflict Studies departments at U.C. Berkeley), the measure was redrafted as HR 1398, the "Quality of Life Action Act." This measure, sponsored by Representatives Hays, Hawkins, Conyers, and 25 other House members,

- replaced the old "right to a job" with "the right to earn a living,"
- put job and income rights in the context of more comprehensive action to improve the quality of life,
- mandated the creation of millions of jobs by lowering the hours of paid work without lowering take-home pay,
- mandated policies to stem the flight of capital and jobs to other countries,
- called for a focused "industrial policy" in tune with our new service society, to replace the old Keynesian idea that any kind of growth is OK,
- mandated large-scale federal aid for local community renewal, economic development, environmental protection and public works, and
- required a total reconstruction of the budget's present expenditures of over \$1 trillion.

Instead of requesting new appropriations, we sought in various sections of HR 1398 to reduce federal deficits. Thus we suggested some of the quickest ways to enlarge job opportunities, including (a) staged reductions in real interest rates, (b) reductions in the number of paid working hours, particularly in manufacturing, without any corresponding loss in income, and (c) incentives for more private companies to provide maternity leave with pay and child care for pre-school children of employees. Also, all budget requests and authorizations were to include estimates of *net outlays*. Thus, all expenditures to raise employment would be modified by estimates of the government's additional tax receipts and reduced outlays for jobless benefits and welfare. Properly understood, these provisions could help retire the idea that larger deficits are inevitably required to expand employment opportunities.

Incorporating an Economic Bill of Rights

In 1987, I published two articles in *The Nation* on "Quality of Life Jobs," in which I suggested that the country needed a new full employment concept based on an economic bill of rights. This idea was taken very seriously by the Congress for Economic Justice, a community action coalition in Oakland, California. Leaders of the Congress urged me to pursue an "Economic Bill of Rights Act."

I promptly consulted with Representatives Hawkins and Hayes, who responded positively. Both of them remembered the pastoral letter on "Economic Justice for All" (November 1986), in which U.S. Catholic bishops advocated a "new American experiment" in overall planning on behalf of economic rights, full

employment, and vast improvements in welfare programs and foreign economic policy. So Hayes and Hawkins promptly assigned key staff members to work with me on a draft.

The result was HR 2870, the "Economic Bill of Rights Act," which at long last proposed endorsement of Roosevelt's eight-point Bill of Rights as national policy (*see LCR 244, September 1988*). HR 2870 required the President each year to set forth a detailed legislative program to carry out the national policy, but did not leave it all to executive discretion; the bill also set forth a minimum, short-term legislative program "to secure these rights." And it established a Commission on Economic Rights, both to monitor the fulfillment of the "Roosevelt rights," and to formulate changes or entirely new rights. The Commission was to include an equal number of men and women, chosen to give "a fair representation of the income and wealth levels of the population and its racial and cultural diversity."

The bill's provisions for the Commission also departed from the idea of proclaiming rights from the White House or some other mountain top. One of the Commission's tasks was to organize roundtables and debates in every community in the country. We assumed that many new ideas would emerge from these discussions, to serve as the basis for defining rights that could be put before city councils, county commissions, and state legislators, as well as the U.S. Congress. Specific references were made to environmental rights, the right to know, and the right to protections against inflation, high interest rates, consumer fraud, fire, crime, threats to personal security, and government actions that intrude upon civil rights or deny personal privacy.

Developing a Legislative Campaign

The Hayes-Hawkins "Economic Bill of Rights Act" was unveiled in a hurry on June 1, 1987. The word was that President Reagan intended to launch his own economic bill of rights, so Representative Hayes sought to beat him to the punch. In the process, there was no effort to "market" the measure among the Washington press representatives, or even to prepare a popular explanation of HR 2870.

Reagan's "bill of rights," presented on July 3, 1987, turned out to be a toned-down version of various constitutional amendments earlier proposed by Milton and Rose Friedman. Its essence was to mandate a balanced federal budget and to give presidents the power of a line-item veto. After a few weeks of half-hearted advocacy in his Saturday radio broadcasts, the President dropped the idea. The only serious function it served was to help blanket out any media attention to HR 2870.

Both the Hayes-Hawkins measures were largely ignored by the National Committee for Full Employment, which concentrated instead on minor but essential manpower bills. To fill the organizational gap, Frank Riessman (who had helped set up the National Committee for Full Employment a decade earlier) worked with others to establish New Initiatives for Full Employment. This group made important progress in developing a full

employment concept that dealt creatively with women's issues. It also succeeded in bringing the "Economic Bill of Rights Act" to the attention of the Democratic National Committee. Still, despite valiant efforts, the work of the New Initiatives group has been frozen out of the mass media.

Thus the Hayes-Hawkins measures, which have been referred to other House committees and have yet to be duplicated in Senate proposals, remain well-kept secrets from most people concerned with public policies. In the 1988 Presidential campaign, Jesse Jackson went into more specifics of employment policy than any other candidate, and dealt bravely with some highly controversial issues, including the structure of the federal budget. On two occasions, shortly before the party's convention, he went back to FDR's economic bill of rights, claiming that he wanted to "return the party to its roots." But he withdrew completely from this approach, probably because of controversies among his staff advisers, and never mentioned the subject of full employment again.

Michael Dukakis declared that "The single most important domestic priority of the next president has to be full employment." But after Bush attacked him as a liberal, Dukakis

retreated into greater vagueness, replacing the liberal-sounding full employment phrase with a slogan about "more good jobs at good wages." In this regard, Dukakis simply followed the retreat on progressive principles—and even on balanced growth itself—begun by Carter and Mondale. These Democrats have helped to create the vacuum in social policy which is still filled by the Reagan-Bush dedication to "free market" versions of human freedom.

The AFL-CIO, which has not yet recovered from its experience with Humphrey-Hawkins, has apparently dropped the "dangerous" idea of full employment altogether. In its January 1988 report from Bal Harbor, the AFL-CIO's Executive Board suggested merely that "Congress must be willing to step in quickly with appropriate anti-recession actions, including adequate support for the unemployed."

Thus the legislative framework of HR 1398 and HR 2870, providing for further consideration of all aspects of full employment policy, remains in the shadow of our continuing hope that at least some "fuller" employment will come as a fall-out from continuing high levels of defense and military and nuclear and space-age expenditures.

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