

Campaign for a Living Wage

JIM HIGHTOWER

GUEST EDITORIAL

IF our so-called national leadership had not lost its shame gene, surely it would be red-faced over its failure to do some little something about the plummeting value of the minimum wage. Today's miserly minimum of \$5.15 an hour delivers a sub-subsistence income of \$10,700 a year, if you get full-time work. That's gross, in two meanings of the word. Millions of Americans—most of them adults and supporting families—are working either for this wage or are paid just a just a few coins more and have their poverty pay pegged to this wage floor.

There's been a longstanding proposal in Congress to raise the minimum wage by a buck, but stand there is all it has done, for neither party has moved it forward. There was a flurry of excitement a couple of years ago when House Speaker Dennis Hastert rose on his hind legs and gave an impassioned plea for Congress to help economically distressed people: "I am not crying crocodile tears, but they need to be able to have a life and provide for their family. They need to have a modest increase in their salary." Unfortunately, he was not talking about minimum-wage workers; rather he was speaking of the urgent need to raise the pay of members of Congress, which the members promptly did.

We progressives need to stop looking to Washington to do it for us and move our focus to the battleground where we have legitimate, lasting and growing power: America's grassroots. ACORN, an indefatigable organizer of low-income communities, and SEIU, the feisty unionizer of the low-wage service industry, are two national groups that understand this. They've teamed up with churches, civil rights

advocates, an array of unions, women's organizations and other local groups in cities, counties and states across America to pass not a minimum wage but living-wage laws. It is a sophisticated effort, including excellent research and support available through ACORN's Living Wage Resource Center (www.acorn.org). In less than eight years, these ground-level coalitions have won living-wage campaigns in seventy-nine places from coast to coast.

TOUGH FIGHT IN THE BIG EASY

Their latest and most sweeping victory is in the Big Easy—New Orleans, the home of jazz, Mardi Gras, great food . . . and unconscionably low wages. The engine of the Crescent City's economy is the "hospitality" industry, including hotels, restaurants and clubs. These places rake in huge profits from the hundreds of millions of tourist dollars that flow through their doors every year, yet two-thirds of New Orleans service and retail workers are paid poverty wages. On average, full-time cooks there are paid 20 percent below the family poverty level, kitchen workers are 37 percent below poverty and housekeepers are 41 percent below. Yet, of America's twelve major tourist markets, New Orleans hotels enjoy the fourth-highest room rates, and its high-dollar restaurants are consistently packed. With such prodigious wealth being generated on the backs of such poorly paid workers, SEIU organizer Wade Rathke says of his city, "We're Jamaica without a beach."

Local pols were not going to do anything to right this disparity, so SEIU, ACORN and others decided to take it to the people. Their strategy was to propose a referendum: a simple one-buck increase over the federal minimum. This is lower than most living-wage ordinances (which go up to \$12 an hour), but the New Orleans initiative throws by far the widest loop, applying the new \$6.15-an-hour standard to practically all private-sector employees. The bottom line is that about 75,000 people—nearly a third of the city's working class—would get a boost of roughly \$500 to \$2,000 a year in their pay, depending on their current wage and the hours they work.

The New Orleans Campaign for a Living Wage (NOCLW) made another smart move: It appealed to small-business owners, especially in neighborhoods where low-wage workers live. Any extra bucks that these workers get tend to be spent in their own areas—getting the roof fixed, buying a used car, purchasing a few more groceries, etc.—

so these are sales that ripple through the small-business community. It's classic percolate-up economics, recognizing that money is like manure: It works best if you spread it around.

But the opposition was not sleeping. It formed the Small Business Coalition to Save Jobs, an acronym that in plain English spells "Hokum." These so-called small businesses were Marriott, Sheraton, Hyatt, Hilton and other global hotel chains, as well as such political powerhouses as the Chamber of Commerce, the Business Council and the Restaurant Association. They adopted a classic "the sky is falling" strategy, predicting mass layoffs, soaring prices and fleeing businesses.

But their real tactic was to do all they could to stop the vote, including rushing to the state legislature to ram a bill through that prohibits any city from enacting a minimum wage. With that done, they then asked the courts to quash the New Orleans initiative. But the state's highest appeals court finally ruled that the Hokum's lawsuit was moot, since the local law had not passed. If it did, then they could come back for a hearing. So the vote was on.

"Can you believe it," exclaimed Louisiana ACORN president Beulah Labostrie on election night, February 2. "Against all odds, we just gave a raise to 75,000 workers!" NOCLW's volunteers had made thousands of calls and gone door to door in a spirited shoe-leather campaign, getting 73,000 votes for the living wage and winning by a sweeping 63-37 margin.

The next day the corporate lawyers went running back to the courts, and a decision is due in the next few weeks on whether a trumped-up state law can overturn the voters' voice. Whichever way the decision goes, the people's sense of victory in New Orleans has been transforming. Rathke says that since the vote, "there's a step in people's walk that wasn't there before. They've learned that they have power, and their attitude is 'we can beat you again.' This is what the business guys are really worried about."

Rathke adds that the lesson for progressives is that "our base is really here. If we create coalitions and take our message to the people, we're gonna win. But we've got to be willing to put our vision of justice out there. Progressives can't be afraid to let people vote."

Acknowledgment: This guest editorial is reprinted with permission from the April 1, 2002 issue of *The Nation*.