

The Eisenhower Option: A Union-Friendly Republican Party Can Defeat Socialism

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Today, words long absent from the American political lexicon — “strike,” “union,” and “labor law” — are making a comeback, and yet looming over all is the long-term decline of American labor. Perhaps that can be fixed.

As we know, the strike at General Motors — during which several Democratic presidential candidates joined the picket line — was recently settled, and a tentative agreement has been made with Ford. Now the United Auto Workers will begin dealing with Fiat-Chrysler.

Meanwhile, in Brooklyn, employees at Kickstarter wish to unionize. As The New York Times observed, Kickstarter is ostentatiously progressive about global issues, and yet it seems, well, *conservative* when it comes to its own employees. As the company’s chief executive, Aziz Hasan, wrote Sept. 27, “We don’t think a union is the best tool to fix the issues we face at Kickstarter.”

Of course, that’s the standard management line: Few top dogs have wanted the herd to be organized.

And in California, the state government’s AB5 legislation is a halting attempt to update timeworn labor law in light of the many complexities confronting freelancers in the gig-economy; the new bill was analyzed recently by Garrett Johnson here at American Renewal. Indeed, many on the right have argued that Golden State authorities simply did a bad job in drafting the legislation — and that’s not so hard to believe.

Yet over the long run, the strength of AB5, however it needs to be revised, rests in the legitimate grievance of those tossed about in the current anything-goes workplace. And some forward-looking Republicans are facing up to that reality; for instance, on Oct. 25, reacting to a new spate of data on the woes of the working class, Missouri Sen. Josh Hawley tweeted, “Some important findings here. The shift in economy toward hourly work for so many in recent decades too often means chaotic, unpredictable hours & is esp hard on working class women & families, esp black & Latino families.”

Hovering above all these labor concerns is this blunt truth: *Wages, as a share of the national output, have been falling for half a century.* That prolonged swoon has had consequences — hello, Donald Trump, Bernie Sanders, and AOC — and will surely have more consequences. In fact, according to data from the St. Louis Federal Reserve, in 1970, compensation to employees amounted to 51.6% of the national income. And yet by 2014, the share had fallen to 41.9%. That’s a fall of nearly 10 percentage points, or, to put the data another way, a fall by nearly a fifth.

Yet happily, just in the past few years, that workers’ share has ticked up a little, to 43.2%. Still, workers as a whole are below where they were as recently as 2008, to say nothing of 1998, 1988, and 1978.

To be sure, these statistics are hotly contested. The libertarian Cato Institute notes that household income is rising steadily, deftly eliding the fact that there’s a difference between *per-household* income and *per-*

worker income. We can see that more people working might raise *household* income, and yet such work might come at the expense of other goals, such as keeping the family in a well cared-for household.

We can also observe that it hasn't just been the libertarian right that has sought to explain away the reality of stagnating incomes; it's also been the liberal left, eagerly using words such as "diversity" to detour workers away from demanding their fair share of the national pie.

Of course, there's no great mystery as to how to help workers get a higher share of the national output: It takes greater bargaining power by labor, backstopped, most likely, by wage-and-hour standards and tight immigration controls. And yes, at the same time, labor needs to float on an overall rising tide of growth and productivity.

Speaking of overall rising tides, we might think back to the 1950s, when President Dwight Eisenhower oversaw a balance between labor and capital — and, oh, by the way, won two landslide national elections.

So if we want to peek further into Ike's bag of political tricks, we might look back at a 1956 campaign flyer, published by the Young Republican Labor Committee. The flyer features a cartoon of a happy elephant, sporting a worker's cap and carrying a lunchbox. In addition to bullet points about the strong economy, we also see this shouted bullet: "INCREASED UNION MEMBERSHIP."

Six decades later, unions have been so long out of fashion that it's hard for many to see them making a comeback. And yet young workers, those most affected by the salary slide, are starting to wake up from wokeness: No slather of political correctness will keep them from wanting bigger paychecks.

So it's worth noting that a new poll finds that 70% of Millennial Americans now say they want to vote socialist. That's not a good answer — it's merely, if present trends continue, an *inevitable* answer.

In comparison to — and as a way of staving off — the queued horrors of Venezuela-ification, the high wages of Eisenhower-ification start to look pretty good.

Yes, maybe Republicans will once again like Ike-like policies, including that happily unionized elephant.