

Berkeley Center for Law and Business Berkeley Center for Law and Business University of California, Berkeley School of Law Boalt Hall #7200 Berkeley, CA 94720-7220

Striking Out: Workers Demand More as Economy Booms

By Dani Kritter, J.D. Candidate, 2021 | October 24th, 2019

Although corporate profits have climbed to their <u>pre-recession peak</u>, thousands of workers across the nation are striking for higher pay and better working conditions. In 2018, nearly 500,000 workers participated in significant strikes – the highest number since the 1980s. The picket lines show no signs of slowing in 2019. <u>Twenty</u> major strikes have already occurred this year, while only seven occurred in 2017. The walkouts have spanned several industries, from teachers, to <u>auto workers</u>, to <u>hotel staff</u>. The disputes largely focus on stagnant wages and meager benefits. However, the new wave of work stoppages may also be fueled by a deeper sense of inequality.

Employers claim that globalization and rapid technological advances have pressured the business to keep wages low. Employees, on the other hand, assert that the companies are hiding behind excuses to hoard profits. Workers who agreed to austerity plans during the economic crisis argue that as the economy rides a 10-year high and corporate profits soar, it is high time to reverse budget cuts. In addition, some are demanding that employers address pressing social issues such as affordable housing, protections for immigrants and refugees, and job security.

In some respects, the strikes are not surprising. Years of strong economic growth and low unemployment have emboldened workers to demand more from their employers. The movement may also be backlash to the Supreme Court's 2018 ruling in *Janus v. Afscme*. The Court held that government employees who do not want to join a union cannot be forced to contribute money to the organization. Although many predicted that the decision would be a major blow to unions, labor leaders have responded with more work stoppages and <u>expanded union recruitment</u> efforts.

However, the demands for changes beyond just wages and benefits suggest that striking workers are also motivated by rising inequality and social and economic policies that do not align with their interests. It is possible that the recent spate of high-profile work stoppages will put workers across the country in a better bargaining position to demand more from their employers. At the very least, it is certain that this issue will be at the forefront of the <u>2020</u> <u>Presidential election</u>.

