

Former US Secretary of Labor Ray Marshall
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01:00:16 – Ana Avendano (AA)

Good morning Secretary. Thank you so much for joining us today. We're going to have a conversation about your rich career, but I thought it would be good if we could start by you sharing a little bit about your background...where you came from and how you ended up in the Carter Administration.

01:00:41 – Secretary Ray Marshall (RM)

Well, I was born in Louisiana in 1928 – and I say to people I'm one of the few people born in the 20th century who also lived in the 19th, because it was a pretty wild country where I was born. And during the Great Depression we moved to Mississippi, and then in 1939 or '40 my mother died, and I had a very protective aunt who was very Baptist, and she had all of us put in the Mississippi Baptist Orphanage.

So between the time I was 11 and the time I was 14, I was in the Mississippi Baptist Orphanage, which was a life-changing experience, because the orphanage was a good place to be, and has made me favor orphanages over other ways to deal with children. / 01:01:55

It had a very good school. The principal was a retired judge and 2 voluntary women teachers...8 grades, but they did for us what cognitive scientists now say what you should do if you want kids to learn. So that was a very good experience. And we were self-sufficient, the orphanage – we plowed and planted and raised all of our crops. And I was a milk-boy – which meant I milked 10 cows twice a day. I had a couple cows I had to milk 3 times a day. So school was not very far away - so I could go at recess and milk those cows – and that was a good experience, being around animals, planting and knowing something about nature. And the school combined that – they knew you were doing that, so they built that into the curriculum – for you to understand genetics: why are these cows different. / 01:03:08

So then when I was 14 I guess it was, I decided to leave the orphanage because I figured I was ready for the world: I could read, write, multiply and subtract and add and divide – what else was there? So I left and got a job in a dental laboratory - making false teeth. Of course they had to believe I was more than 14, so I'd – age 16 – so that was a rapid aging process that I went through – going to work. And I liked that work – I thought it was very interesting. The problem with it was that...I had dropped out of school, so I needed to go to school some way – and they had a high school nearby, but since I hadn't finished the 9th grade, they wouldn't let me in the high school. I tried to talk the principal into it, so I just gave up on that. / 01:04:16

And then the war was heating up, and I decided that I'd join the Navy – when I was 15. So that's what I did. And in the Navy – the Navy was another very good

experience. The orphanage had prepared me well for the Navy – because I'd had the group living experience - I knew how to get along with peers, but it also taught me - the Navy – first it'll teach you a lot about yourself. You know I learned that I could learn pretty fast, and I learned actually how good the orphanage education was. Because they sent me to radio school, and I had no trouble – the fact was that most people in radio school were high school graduates or had some college. And I did very well relative to them, and I figured out – they don't know how to learn. Nobody had every taught them how to learn the way Judge Buffington did for us at the orphanage. / 01:05:32

And the other advantage of being in the Navy, and the war – I was in the amphibious forces in the Pacific – was you learn a lot about yourself in that process, and you learn a lot about other people. You see, in the orphanage we were all Mississippians – very common – but in the Navy we were a diverse group – and it was useful to learn how to get along with a variety of people. / 01:06:02

And then you learn something about leadership, and your ability to do things. Before it was over I was a radioman on LST-968. And that was good experience. But the really important part of that experience was to understand that if young people are involved in an important common pursuit, and it's a serious pursuit, you forget about a lot of things like race, religion and all the rest. And I think I'd only seen one Republican before I got in the Navy – in the Navy we had some, and almost no Catholics or Jews - and that was useful to see, to understand other people. / 01:07:01

And actually when the war ended, and we were getting ready to invade Japan – actually we were going to invade Formosa first – and I had been taught the Japanese were kind of sub-human - it wasn't like killing real people. And then when I got to Japan, I was in the occupation when the war ended, we went first to Wakayama – and I interacted with the Japanese. And that was another learning lesson. It inoculated me against...one of the first questions that one of the interpreters I worked with asked me when he found out I was from Mississippi was – *Has Warren county acquired the Vicksburg bridge yet?* And I said, *Well I know that bridge, but I didn't know Warren county wanted it. But I'm surprised you do.* And he knew a lot more about me, and about the United States. Of course he was a Stanford graduate, so that explains some of it. / 01:08:09

But I also learned to appreciate the Japanese, and after I got over the fact that they really had surrendered – you know I was apprehensive to start with because of Okinawa. That's where we first encountered the kamikazes – and I figured if we hit the mainland it's going to be a lot worse than Okinawa, and Okinawa's pretty bad – and partly because of the kamikazes. But nothing ---the Emperor told them the war was over – the war was over so far as they were concerned. And we never had a bit of trouble with the Japanese. / 01:08:50

AA: 01:08:51

So Ray, how did you end up as a Labor Economist?

RM: Well, I got – went to school on a ...I first had to decide what I was going to do. My original intention was to get out, get a high school diploma and go back to the Navy, because I had a chance for a fleet appointment to Annapolis, so I thought that would be a good thing.

So I went to a Community College to take the GED – my Captain told me about the GED – and I took two high school courses in the summer, and took the GED, and passed it - but they wouldn't count it because I only had two high school units – you need four – and the registrar at the Community college said: *we will count the GED as entry*. So that's how I got into college. / 01:09:57

And then I first started out to be a lawyer – and thought that was pretty long, and the reason I wanted to be a lawyer is because everybody always said, *you'd make a good lawyer...* and they had no idea what lawyers did. And when I'd finished Hinds County then Junior College, now Community College, and went to Millsaps College for senior work, and had a wise Constitutional Law Professor there at Millsaps, and he said, *what kind of law do you want to practice?* And I said, *I don't want to practice law, I want to be a politician*. And this was 1948. And he said, *well, what would you say to the people of Mississippi?* And when I told him, he shook his head and said, *you better get into something else, because life is hard for most people in Mississippi, but the only fun they get is politics, and you're going to worry the hell out of them. They don't want to hear all that about what you're gonna do to improve their conditions in the state*. / 01:11:03

And that's how I switched to Economics. And within Economics I acquired a strong interest in Labor Economics. And when I got a Master's Degree at LSU - Louisiana State University – I hadn't quite made up my mind I wanted to study Labor. Because I was interested in Economic Theory as well as Labor – I'd had one course in Labor. But the more I thought about it and explored things, I decided the Labor field was the one I really wanted to be into. If you really wanted to help people, you weren't gonna do it by being a politician in Mississippi in 1948-9. But understanding working problems and conditions of workers would - you could do things. / 01:12:01

And then by the time I made that decision, I got a Fellowship from the Rockefeller Foundation to go anywhere in the world to get a PhD. And I went to Berkeley, because of the strength of their Labor program there. I'd studied at other places first, and concluded that Berkeley had the very best Labor program in the country. And I acquired a strong interest in a lot of aspects of the labor field: wages, employment, trade unionism – in fact I wrote a book with that title.

And the way I found out about the labor movement – and got attached to them – I always had a strong commitment to workers' ability to organize as part of the democratic process. I soon concluded you couldn't have a free and democratic society without a free and democratic labor movement. / 01:13:18

So when I was doing work for Labor in the South, and I did several other books – one with the title: The Negro and Trade Unionism...and several books dealing with discrimination in the labor movement. And doing all that work, I got pretty close to the unions, and studied them and criticized them, and had a fair appreciation for them. My book on labor in the South was the first book on the history of labor in the South. And I did a lot of field work and that's where I first met a lot of union people, talking to organizers and the state federations especially. / 01:14:12

AA: / 01:14:13 And when did you meet President Carter?

RM: After I formed the Center for Human Resources, where we are right now, in 1969, and we studied rural development – was one of our main areas – the OEO, the Office of

Economic Opportunity, gave us a large grant to study rural things, and a group of foundations went together, and created a program to study rural development in the South. And about that time, President Carter had been elected Governor of Georgia.

Let me back that up. Before that, I had been part of a group in the South to try to change the political climate, and try to get some good people elected in the South. The society was called the L.Q.C. Lamar Society. The L.Q.C. Lamar was a Mississippian written up by John Kennedy in his Profiles in Courage. That's what we were trying to do – and Carter was one of the people we focused on. And there were others – Dale Bumpers in Arkansas – and progressives – democrats mainly who were changing the composition of the South. / 01:16:00

Anyway, when we put the rural development project together...we wanted to get 2 governors, and Jimmy Carter was one that we got. And we got Governor Dunn of Tennessee as the Republican. And I interacted with him then mainly with things I was writing – I wrote a lot of position papers and the like. And then when he decided to run for President...the kind of amusing part about that is that nobody thought he would run for president. When we asked him to serve on the rural development project, he said he'd be glad to serve - but he was going to be running for President. And our reaction was: *of what?* He'd just been elected Governor of Georgia. He said *...of the United States. I intend to win.* / 01:17:00

So that was the beginning of that. So when the campaign started, I helped write things for the campaign – and it was on rural development, which is mainly what President Carter thought I was – he didn't know I had a labor connection at all. / 01:17:23

And when he got elected, he asked me what I would like to do in his administration. And he thought maybe I'd be interested in other things, and I said, *Labor would be my preference.* And that's how that happened. He then said - at first we had a meeting with him and Fritz Mondale, and some of his staff, where I laid out for him if I did become Secretary of Labor, here's what I would do. Here's what I think the Labor Dept. is all about – and what I think we ought to be about, and here's how I'd go about it. And he seemed to agree to that. And thought that's exactly how---we had high unemployment at the time, so we needed to address unemployment... / 01:18:22

AA: Unemployment was at 9%?

RM: Yeah. Unemployment was pretty high – in 1976 – '77. And that we ought to strengthen our training program, and the jobs program. Because – I had kind of an old-fashioned attitude towards unemployment, which was – that there's nothing more perishable than a human being, so if you don't work today, we're gonna lose that work. And so we ought to put people to work. / 01:18:50

There was a lot of criticism of the work programs - and I had several debates with Republicans and Democrats and macro-economists about direct employment. As I said to President Carter, *the best thing we could do is to get economic growth – and that's macro-economic – but they're not going to be able to very efficiently put everybody to work in the private sector, so we ought to have a public jobs program.* / 01:19:23

And I had learned that in the Navy. You know – people who criticized the jobs program - I said, if you'd been down my path, you wouldn't be critical of jobs, of putting

people to work. We had to find our way around the Pacific Ocean, with WPA charts. And if we hadn't had those charts, we would have had a much harder time in a lot of those islands than we did. / 01:19:53

Probably what kept us from having to fight the war from San Diego was the Battle of Midway. The Battle of Midway - we had 3 carriers. Japanese thought we had one. When they hit that one, they thought our carriers were out of business. We had 3 - 2 of those were PWA (Public Works Administration) carriers - and if we hadn't put people to work making those carriers, the Japanese might have won the Battle of Midway. And they would have invaded Pearl Harbor, probably, and given our strength at the time, we would have had to retreat to San Diego.

So I've had a strong commitment to public jobs as a result of my whole life...first schools I ever went to were schools built by government, plus the fact that I just think it's silly for people to believe that what the government does is not important. / 01: 21:00 and to be anti-government is I think a serious problem, for this country, and I think it still is.

01:21:08 - But anyway, President Carter agreed that we would have a big jobs program. As big a jobs program as I thought we could manage. But the problem was I had no idea what size jobs program we could manage. So I brought Bob Brown, who had been in the Labor Dept. for a long time, in the Employment Service, to do a quick study of how many we could do. I was on record as saying we needed to do a million - in my previous writings. But I found out you couldn't do that - we didn't have the capacity to do it. / 01:21:46

So we did that - we mounted the largest jobs program that we could manage. And it was very good - when it's been evaluated a lot since then. And I've in some ways tried to copy the WPA programs. I wanted to have a CCC program - Civilian Conservation Corps - it did a great job for a lot of poor kids all over the country. And some of my Navy people were out of the CCCs. I never knew anybody who was in it who wasn't proud of it. / 01:22:30

And I had a strong belief in the Arts programs that the WPA had - I had WPA art all around my office. And anyway that's how that worked out.

And after I explained all that and came back to Austin, and in a couple days I got a call and he said, *if you're still interested, we've got a deal*. So I went in, and of course I never regretted that.

AA: 01:23:02 - And Secretary, the role of the Labor Secretary that you talked about with President Carter, you saw the role of the Labor Secretary as having an important role in the Administration. Can you talk a little bit about how you saw the role?

RM: / 01:23:14 - Yeah - the Labor Department is the only department of government specifically created to promote and defend the interests of the American workers. And you've got all kinds of other departments defending various business interests - in Agriculture and other places. So I thought that was a very important job that needed to be done, and we needed to be serious about it. And what that meant was, we needed to be involved in policy-making, and we were ...I got involved in the policy-making...and you needed to constantly remind people of that mission...the mandate of the Labor Department, to protect and promote the interests of American worker in all of its aspects. / 01:24:09

Now part of what I found when I got there is that people didn't always keep that in mind. They had other motives and weren't really focused on that. So I tried to focus on that. And part of what President Carter did, it was part of our agreement, was that I would be in control of the selection of the appointees - that I'd bring my own staff in. He said that was acceptable, that he believed in Cabinet government. He gave me 2 instructions about that: he said the main condition is, *don't embarrass me* – don't get somebody who will embarrass us – *and extend your net, to include women and minorities who've been excluded.* / 01:25:11 And I was inclined to do that anyway, because the staff we had in this Center working on our projects was minorities and women.

So the ability to do that made a huge difference in what you're able to get done, and to see to it that the Labor interest was protected and recognized in the making of macro-economic policy. There's natural tension between macro-economists who believe in monetary fiscal policy, and labor economists, who believe in specific labor market activities. I used to say to my colleagues, *how high do you think an inflation would be if we put everybody to work that needed to be put to work in the Rio Grande Valley of Texas? You're not going to put them to work through changing interest rates – we've got to create jobs specifically for people – a lot of minorities, a lot of women – that wouldn't get jobs.* / 01:26:21

In fact in our jobs program, was the first time during the decade of the 1970s, that minority youth employment went up – not unemployment, but employment. And the things they did were remarkable things. And we had home healthcare for people, and that was a way to keep people in their homes. One of our projects – we had police cadets helping...and gang members made the best police cadets – in a lot of places. But it was really good work – the way we put people to work. / 01:27:13

The problem with it of course was that the administrative mechanism was not very efficient. It had been proscribed by Congress and therefore was cumbersome. It led itself to corruption because it didn't have proper oversight...and that was true not just with jobs programs, but with programs throughout the department – that tended not to have an effective strategy to accomplish the mission that was mandated for the department. / 01:27:55

And President Carter had also given us our marching orders on that. He said: *people know Democrats can be compassionate. Let us show them we can be competent.* So I set about trying to show that the Labor Department could do things in a competent way and not from top down.

President Carter was also interested in OSHA – because during the campaign there were a lot of complaints about nit-picking things that OSHA was doing ...it was hard for me to believe that they were doing the silly things intentionally to undermine OSHA. In fact, when I got appointed, Ralph Yarborough, who was Senator from Texas and co-author of OSHA, called me and said, *Ray, I want you to pay special attention to OSHA. The Republicans are perverting it.* He said: *they're chasing the minnows and lettin' the whales get away.* So I made that our theme – that we're gonna quit chasing the minnows and letting the whales get away.

I later told Ralph, if I'd been smarter and more politically astute, I wouldn't have said *whales*, I would have said *sharks* - because there's no shark lobby that I know of, but there is a whale lobby - that I found out about.

But the main point of that is to concentrate on things that are really important, and we did that. We did that with OSHA – and did away with a lot of those nit-pickin’ regulations. Best PR I had probably in my whole time was when I had one time –one day almost –when I announced the elimination of about a thousand regulations...but then concentrating on things that were really important, like cancer and carcinogen standards and black lung and brown lung - serious problems. / 01:29:47

Previously they had no strategy. Because when I called the people in who were responsible for OSHA, and when I asked them, *well what’s your job*, they said, *protect the safety and health of workers*. And I said, *well, what’s the magnitude of your job* – and they said, *6 million firms, or 6 ½ million firms. So how do you protect the safety and health of workers in 6 ½ million firms?* They said – *with inspections and regulations*. So I said, *how many inspectors do you have?* And they said, *a thousand*. And I said, *well listen to what you’re tellin’ me. You’re going to protect the safety and health of workers with inspections and regulations, and you’ve got 6 ½ million firms and a thousand inspectors. You must be awfully fast if you’re gonna do that.* / 01:30:44

But let me ask you the really important question; given your strategy - and let’s say I got you 50,000 inspectors to do it, would that solve the problem? And he said, *what do you mean?* I said, *could you inspect a place today, and somebody get killed there tomorrow?* He said *yes, it’s happened - and it had recently happened on my watch, during a West Virginia cooling tower disaster.* And I said, *then something’s wrong with our strategy – we need to come up with a different way to protect the safety and health of workers.* And that’s when we created a program called New Directions.

And the New Directions was to give to people in the workplace the power and the knowledge to solve their own problems. / 01:31:41 And we would monitor the systems they used – not every individual workplace. And that turned out to be a pretty good way to do it, and it was a lot more focused and efficient way to do it than to believe you could do it through inspections and regulations. / 01:31:59

But I think part of the problem of course was that the management of the government was copied from the management of a lot of corporations. And they adopted the ideas of Taylor - Frederick Taylor. In fact the person in charge of managing it (OSHA) was a disciple of Frederick Taylor. So I got rid of him in a hurry, because his whole idea of management was that you put together ways to watch people...to monitor their performance. And I said, *why in the world would you hire anybody you had to watch?* / 01:32:35 We’re not gonna do that. We’re going to set goals and objectives, and get people who agree with those goals and objectives, and then give them the freedom to do that./ 01:32:46

That’s the way we tried to manage the department.

AA: And how were you able to get employers to...

RM: Well sometimes - employers are naturally opposed to regulations – some are – not the best ones. What I learned pretty fast was that the best employers were all for a very effective safety and health program. And I made them the “best practice firms” in whatever industry. For example, DuPont had a very good program for safety and health. And Irving Shapiro was the chairman of DuPont, and I went and visited him to see why

they were doing what they were doing - and why they were doing as well as they were doing relative to other people in that industry.

And he took me out in the hall and showed me 2 photographs: one was a hole in the ground and the other was a building. He said the building was DuPont before the explosion – that hole was DuPont after the explosion...we started out in gunpowder. And so if you're involved in a hazardous industry, you learn right away you've got to deal with it effectively and you've got to have good management to deal with it. You've got to have the workers who understand what they're dealing with...and have heavy emphasis on training of people to deal with the hazards. And then he said, I'm not sure I should be tellin' you all this, because if others in the industry find out how profitable safety and health is...you know it's one of our big profit centers...it's almost like a trade secret – what we're doin'. / 01:34:45

Now that was the attitude of the best of them. And I would always say to the other companies in the industry – if they can do it, why can't you do it. So that was one management attitude. / 1:35:01

The other management attitude was a typical management response to regulation. It was to be opposed to it - without any thought about benefits of it, and whether it was legitimate, and what effect it can have on their industry. So part of the New Directions program was to give industry associations the resources to really understand their problems – because I found most of them didn't really understand. / 01:35:35

I went out and worked as an OSHA inspector, and found that, one place we were inspecting in Philadelphia I guess it was, thought they had a very safe workplace. The manager of the place ...I had an OSHA badge and tried not to be recognized as the Secretary of Labor...but the manager unfortunately recognized me and went and got the president of the company to come – because he thought they had such a good program, that I must be there to learn how good their program was.

They had a pretty good program – but they had 2 life-threatening...well at first they wanted to know if they should get the media - when the President and his son came. And I said *no, I don't want you to get the media. I'm sorry they got you. I'm here trying to learn what this is all about.* / 01:36:32

But I had a real OSHA inspector with me of course. And what we discovered - this was a smelting plant. What they discovered is - nobody knew what the hazards were. The OSHA inspector measured the atmosphere and found carcinogens in it. You know, they didn't know that. So he said to the operator of a crane – *show me how you put that metal into the vat.* He used a crane to dip it down in. *And how you bring it up.* So he brought it up – and when they were doing it, they were just flinging the carcinogens into the atmosphere. Well they didn't know that that was a problem, or they wouldn't have been doing it. So we had to write them up for that. / 01:37:19

And then they went up on a catwalk and found exposed electrical wire that could have killed whoever went up to do it. So in the post-inspection with the president and manager, I said, *aren't you glad we didn't call the media!* Because these are serious problems.

So part of the New Directions program was to give people the resources to understand the problems in their workplace. / 01:37:52

And then the other part of the regulatory regime: I made the assumption - frequently being contested by my OSHA people – that most employers want to have a

safe and healthful workplace, but part of the reason they don't is economics. Part of it is, that if you can shift the cost of protecting safety and health of workers, to the workers, their families and the public, then if you're a profit-maximizer, that's what you'll do. That's the reason you need regulation, in order to prevent that from happening. / 01:38:27

And the other thing – they minimized the importance of safety and health – they tended to dismiss it. And that was something we couldn't allow, too.

01:38:51 – So I'd addressed their associations, tried to tell them what we were doing and solicit their help...but to convince them that if they really were trying to protect the safety and health of workers, they had nothing to fear from us, and that we would help them with that...but if you were not, we will come down on you hard. / 01:39:12

So what I found from that, and it's obvious, is it doesn't do you any good to have a voluntary program unless it's backed up by hard, serious enforcement. It's like Dr. Johnson said: *nothing like a threat of a hanging in a fortnight to concentrate your thoughts wondrously*. Well they get concentrated if they know you're gonna do that. But if they think you're not gonna do it – as many companies did; they thought all you're gonna do is make them post a notice about discrimination, or about safety and health. And then they can go on and doctor their books, and give you false information, and all the rest of that. But if they thought you were serious about it, as we were ---then they would have....

...and some of the people who weren't serious enough about it...there's another lesson I learned in the Navy: a lot of military people weren't serious about it, about safety and health. / 01:40:13 And I had a problem with Admiral Rickover...he came to see me one day - he was a good friend of the President's, and I thought, well I better figure out what he's coming to see me about. I had a system that anybody who looked at my calendar and saw people coming that I had agreed to talk with, tell me what they're coming for. So I can be ready for them. And Admiral Rickover came in, and the first thing he did was to criticize the lushness of my office and surroundings. I had him for lunch – I had a very good chef. He said: *this is unseemly for a Secretary of Labor to have quarters like this*. I said: Admiral, *I didn't build all this, but I'm not about to rent any of it out, either, because it was considered to be a necessity by the people who did build it*. / 01:41:12

And anyway, he said that people were troubling him and his shipyard, atomic shipyards. OSHA gave him a lot of trouble. I had already talked to the President, told him Admiral Rickover was coming, and said: *I know he's a good friend of yours, but I want you to know, I've already been briefed by my solicitor – and they've got a bad record, and we're gonna straighten him out – that's what I'm required to do*. / 01:41:41 *I want to alert you to that*. The President said: *Ray - you do what you think is best, because Admiral Rickover is nowhere near as good a friend of mine as people think he is*.

So when the Admiral came in, I was ready for him. And he had that attitude of dismissing it. It wasn't just military people – a lot of managers are dismissive of safety and health – even though, as Irving Shapiro said, it could be their best profit center./ 01:42:21

So anyway the managers who really wanted to have good safety in the workplace - we tried to win them over, first by the New Directions – giving them the information, secondly by letting them understand that we're not just out to get them – we're out to

help them solve problems they've got – with what we're doing. And if you'll cooperate with us we will cooperate with you. / 01:42:49

One approach that we had in OSHA was ...if an employer could come up with a better way to do it, than what was prescribed by the experts, then they could do that. And almost invariably they could come up with better ways. Especially if they knew they had to protect the safety and health of their workers. What we would say is – you can do that, but we're gonna monitor the workplace to be sure there aren't serious problems to the workers from black lung, brown lung, carcinogens...while we're trying to figure out a better way to do it. / 01:43:38

Now employers appreciated that, you know the best employers especially, that we were flexible, willing to work with them, so long as they kept their attention to the main motive that we had, to protect the safety and health of the workers.

And I encouraged that they form voluntary associations to do it, and we would help with that. So anyway, that was one way to get employers to work with them, and I have to say that I think it worked. You still had some that wanted to avoid the liability, and you had to go after them / 01:44:24

AA: 01:44:25 - And Secretary – relatedly – the time that you were Secretary of Labor also coincided with the time when women were first coming into the labor market – very segregated labor market, and they were coming into the male-dominated occupations, which were also the highest paying occupations with the best benefits – and were facing struggles. So can you talk to us about your role as Secretary of Labor in that transition – and how did you deal with that? / 01:45:00

RM: Yeah, there were several things. One way I did it is to set up a structure to deal with it and to try to create a culture within the department and with all of the people that we were going to be serious about eliminating discrimination against women, minorities and anybody else. My view was – it's wasteful, and bad for the economy, bad for the democratic system for us to practice discrimination. We got good values - enunciated values – which are not always followed. But my interpretation of the progress we've made is - we're becoming more inclusive, less discriminatory and therefore more efficient and a more democratic system. / 01:45:54

So I brought Alexis Herman in. I had a project that first was called “Black Women's Employment Project”. And I learned a lot from that too. Black women told me their problems - often more because they were women than because they were black. And so you had to deal with separate programs - Alexis was very good at that. She was right out of college - 23 years old, when she came to work, and a lot of my colleagues thought she was too young for the job. She tells me the story that after I interviewed her and decided that she was the one for the job, that she had forgot her purse, and came back into the room to retrieve her purse, and she overheard my colleague say: *well leave it up to Ray Marshall to hire a child to do an adult's work.* And I'll tell you what I told them: *I'm not worried about her age. What I am worried about is that she's so good – this might not be a good demonstration---I think she can make a bad idea work.* But I think this is a good idea, and she did make it work. And then we expanded it - it became a national program. And then we changed the name to “Minority Women's Employment Project.” / 01:47:29

Very important lessons learned from those projects - had another one which Ernie Green ran for the construction industry – the Apprenticeship Outreach program. And what we were trying to learn to do is not just deal with overt, specific discrimination, which is easy. The thing we tried to do is deal with *institutionalized* discrimination ...people don't even---good people don't think they're discriminating.

01:48:00 - I'll never forget Pat Moynihan once – as part of oversight - I was telling him the jobs we were creating in the jobs program, and Pat said, *the trouble with all those jobs is they're men's jobs*. And I said, *well Senator, I don't recognize men's jobs and women's jobs. Anybody who's qualified to do the work should get the job*. And Moynihan let that ride, but he made an appointment with me – no staff present – to apologize. He said, *you're right about that. I hadn't thought about that – that there were men's jobs and women's jobs*. And that was the definition of the progress, and if we're going to really believe that *all people are created equal, endowed by their Creator with certain inalienable rights...*we ought to have policies that practice that. So I thought that about women. / 01:49:04

But the institutionalized part of it we learned to deal with, and I spent a lot of time on that. You first had to understand what discrimination was all about, and it's not what most people think it's about. It's not about physical association - it's about status and opportunity.

So that's what Alexis was doing, and Ernie – we were demonstrating...and the whole theory of what we were doing is, if we demonstrate people can do this work, then people can no longer say they can't do it, because they're doing it. And then people say – well when do you want affirmative action to end? And I say – when opportunity is as institutionalized as discrimination is. / 01:49:53 So people don't really have to think about what they're doin'.

So as a result of that I had Alexis come to be head of the Women's Bureau, and elevate the position of the Women's Bureau in the Department. Of course she had already gotten to be 29 by then, so it was still a relatively young person to be doing that work. And the reason I brought her in is that she had already worked with me, but also she understood what discrimination was all about, and how you change it – and how you institutionalize opportunity. And that's what we needed to do with ALL of our programs, not just the anti-discrimination. You know we moved OFCCP (Office of Federal Contract Compliance Programs) into the Labor Department out of the agencies – that's another agreement that President Carter made, because the agencies were not interested – they're more interested in getting the bombs built in the Defense Department than they were preventing discrimination against people, but in the Labor Department that became our primary objective. / 01:51:02

But I wanted Alexis to be part of the management group so she would tell everybody else there how what we were doing affected the opportunities for women and the ability of women to work. And she started a day-care program in the Labor Department as a way to help women work – to be able to work. And I got a lot of push-back from that – and I had handicapped people I let work at home. And people said – *well, they work at home, somebody else might do their work*. And I said, *what do you care who does the work so long as they get the work done?* / 01:51:44 And that day-care system – it was early education really, it wasn't just babysitting the kids.

So anyway, that was the position we took. And then I also was inclined to agree with President Carter's advice and mandate to me: expand your net and include women and minorities. And when we did that... but he also said, *I don't want you to pick 'em just because they're women or minorities* – and I wasn't inclined to do that either. *I want you to pick them because they're in the net - and you select the best people in the net.* / 01:52:33

And I did that. I never gave anybody a job just because they were black or a woman. But it turned out that the best people in the net – the best person in the OSHA net – was Eula Bingham. And I got great resistance from the people in the industry, and she was the only one of the people I appointed that President Carter wanted to meet – because he said he was getting so much feedback – a lot of people trying to fire her AND me. / 01:53:06 So he wanted to meet her, and after he met her he said, *you're right, she's the best person for the job.*

And Karen Klaus, who was my solicitor, was superb in doing that. And the women there, it's better to have several women rather than have one – that's what I found in the construction industry. You send one out, they'll harass them, but if they know if they harass that one, they're going to send a group, then they'll quit harassing. And if they get by with it, they'll do it.

But with the staff - I wanted the staff to see...it's not just Alexis telling us this is a good thing. You got colleagues here who are helping you with your legal problems, and we've got the best person we could get to do that. And she was – and they agreed. In fact, the Justice Department wanted to appoint Karen to the DC Circuit - and the Bar Association opposed her, because she'd never had private practice. They came to see me about it, and I said well, doesn't it impress you guys at all that she's beat you in court? Whether she's had a private practice or not? / 01:54:43

But anyway, this turned out to be very good for the department, and for getting our work done – because we had good people that were able to do it.

AA: 01:54:56 - What about the day-to-day work for women who were trying to break into these industries, like coal-mining, and facing these kinds of cultural barriers. Can you talk about your experience with that, or in construction?

RM: Yeah – and I've said, we had trouble with some of the industry people, and some of it was kind of like Pat Moynihan – they just hadn't thought about it. You know they did things the way they did: *men mine coal – women don't mine coal.* And they even had a superstition in some of the mines, that women were bad luck. And I said, *we'll you're not gonna convince ME of that, that women are bad luck down in the coal mines.* But in mining areas, the best jobs in the area unfortunately are coal mining. So women should have access to the best jobs in the industry. And I'll bet you, even though I've never seen it yet, that women will make good coal miners, because what coal miners are doing frequently is running machinery and the like, they're not just pick and shovel digging coal, but a lot of women could do that, too.

But they resisted that – the union resisted - some of the union people. And they said *you're likely to get explosions if women come down into the mine and the blood's going to be on your head.* And I said, *well, let the women know the hazards. I will promise you we'll do everything we can to prevent the hazards.* And we brought Mine

Safety out of Interior, into Labor. And let THEM decide if they want to take the risk of going into the mines or not. / 01:56:43 And many did, and some were killed – it's the unfortunate part about a hazardous industry. / 01:54:54

But once you institutionalize it – once you get people where they've seen people doing it – once women become supervisors in the construction industry, once they become contractors and superintendants, then people no longer believe that women can't do this work – or blacks can't do this work. There were superstitions in all these industries about who could do the work and who couldn't. So you had to break that down. / 01:57:21

And the way you did it of course – you couldn't have done it just by persuasion. You had to have enforcement power - and say that if you don't do it, then we will...as I said to the union people...I had John Dunlop assemble the Building Trades, because they were about discrimination, and he said, *well I'll assemble them and let you talk to them. I'm not gonna do it.* This was before I was Secretary of Labor. And there was great resistance, but not much, because part of my explanation to them is, I'd tell them Marshall's Rule #1 - which is: "Those people who resist inevitable change will get the most of it. And if you will change with it, then you can facilitate the change to fit your circumstances." And if you don't do that and you're forced to change, and the Courts force you to change, you're not going to be able to maintain control of the Apprentice program, or the Hiring Hall, or any of those things. / 01:58:33

Plus the fact that discrimination is fundamentally BAD trade unionism. Because if trade unionism is not a democratic organization, it's not faithful to what unions should be all about. And if you bar people who can do the work, because of their race or color or something else, then you're not being a good trade unionist. And you're undermining a democratic institution. / 01:59:06

And this one Building Trades meeting, the President of the Bricklayers Union...and I had gotten along well with him, and his brother ran the BAT - Bureau of Apprenticeship and Training in the Labor Department, and I'd gotten along with him. Because before I was Secretary of Labor, I was Chairman of the Federal Committee on Apprenticeship. And he stood up and said, *didn't I understand "local autonomy"*. And I said, *oh sure I understand "local autonomy"*. And he said, *well we can't tell these business agents what to do, and managers what to do – they have "local autonomy"*.

And I said, *well let me ask you a question: suppose you found they were stealing the money. What would you do?* And he said, *we'd put them under trusteeship.* And I said *what you've told me is not that you can't handle it, but that you don't give this very high priority.* / 02:00:15 *Let me ask you something else: you admit that this is a very serious problem in the country. Discrimination in the unions is a serious problem for YOU, in the country. And I don't believe that business agent who's elected by those people who are discriminating can solve the problem. George Meany tried to solve the problem. He got so mad about discrimination on the Rayburn building that he tried to recruit non-union electricians, but couldn't find any. So I don't think George can do it – he will do all he can. So let's follow the logic. This is a serious problem. Who's in the best position to deal with it? The International union presidents are.* And he sat down and said it was going to be damned hard. And so - *nobody said it was going to be easy. But you'd be better off just picking your own apprentices and controlling your own system, than having courts force it on you.* / 02:01:26

And fortunately we'd had some recent cases where the judge listened to people and said, *I think they'd be good electricians – admit them!* - without any assurance of qualification.

So part of the overcoming of discrimination is to overcome these myths and to show people what can be done, and that people can in fact do the work - and everybody's better off if you do that.

PAUSE

AA: 02:02:21 Secretary, can you talk to us about your efforts, with regard to apprenticeship – sort of outreach apprenticeship programs?

RM: Yes. During the 1960s discrimination in apprenticeship and in the building trades was a serious problem. And when Willard Wirtz was Secretary of Labor he was looking for ways to deal with it - and he funded this Center. I told him what I thought about how he ought to do it. And one of his staff people, when I explained it to him, his initial reaction was: *It'll never work. It's too simple.* And I said, *well, maybe that's your problem. Maybe you're trying to make simple things complex.*

So Wirtz, in the Labor Department, through Howard Rosen, who was then Director of Research, and made a contract with us, and we developed, we found in place things that were working. I'm a strong believer in the comparative, adaptive method: you study things that are working, and try to figure out why they're working, and then try to see if you can adjust/adapt that to the situation you've got. / 02:03:52

So I found a couple of projects where they seemed to be on the right track of doing it. Also then we have to model it. To say, here's what....

AA: And what were they doing?

RM: The basic idea behind – and I explain that in detail in the books, but the basic idea is, if you're going to break down institutional discrimination, you have to do it through affirmative action, which I define as - positive measures to include people who've been excluded. / 02:04:33 So you develop a positive approach.

Now our approach to the apprenticeship program was first to try to persuade the industry was, here's what you need to do. You need to try to recruit, train, hire women and minorities to do things. And part of what had happened was, in New York City, where they had really serious demonstrations in construction projects, finally the industry called the Civil Rights groups' hand, and said *we'll take all the qualified applicants you've got.* / 02:05:18 And of course if you've got institutional discrimination, by definition you won't have many people in the industry. When we took the background on them, we found that there were less than 2% of minority apprentices in the country ...there were 7 electrical IBEW apprentices in the South, and they worked for TVA – so you had to then create a mechanism to recruit, train, place, help people who - to be sure – and that's what the apprenticeship outreach program was all about. / 02:06:07

Today, partly as a result of that project and the reduction of discrimination generally, minorities are about as well represented in the apprenticeship as they are in any skilled trade occupations. And part of it was to break that down. And what you would say

to the unions – we’re going to see to it that you only get qualified people, and we’re going to - we helped them – we actually defended them against the discrimination. What I tried to convince them was, *if you don’t break it down, you’re going to lose control of the apprenticeship.* / 02:06:46 *You’re going to lose control of the Hiring Hall.* And as you know, in the building trades you lose those 2 things and you’re in big trouble.

And people accepted that, in the building trades, and we said you can’t just hire your friends and relatives - that was part of their defense. You’ve got to hire people who are qualified. We’ll see that they’re qualified - you can count on it that we will recruit people that can do the work – and then we will certify it. Now if you don’t take them after we’ve certified it, we will join legal action against you. And we’ve got evidence about what happened to the people you did hire...where you got them, and how they compared with our group. And you won’t win many of those lawsuits. And they understood that, and therefore they did it. / 02:07:40

And it started out small scale, and then by the time I was Secretary of Labor it was a national program - the Apprenticeship Outreach Program. And as I mentioned earlier, we did the same thing with women, and broke down discrimination there.

And what we found in a place like Atlanta, for example...with women, we did research there first – is that a lot of the women who were graduating from the Atlanta university black complexes couldn’t get jobs in Atlanta, but they were getting jobs doing those things in Philadelphia, or some other place. And they were recruiting people from Philadelphia, white people, to do the jobs the black women were trained for. So institutionalization is - connect up, build a bridge between the community and the industry, and gain the support of all people involved in it, and it worked. And I think it’s one of the best social inventions of the 1960s – as a way to break down institutionalized discrimination. And that is the real problem. / 02:09:04

AA: And that also speaks to...labor markets remain highly segregated – even today.

RM: Yeah.

AA: Just briefly, what is your reflection on that, and are we implementing policies that ...

RM: I think we’re still underway with that process, and it takes a variety of forms. One is – you wrote in your piece – is harassment. And that was happening too. Not just – they were discriminating against women because they were women, but they harassed them because they were women, and we had to put an end to that. And the only way to do that that I know of is the same way: that is, specify what proper action has to be - and then have serious penalties if people don’t take proper action. And that way you initiate the change, and then the change tends to feed itself. Once we had black electrical contractors – we had institutionalized discrimination – / 02:10:15

Now to show you what we faced though, with the Outreach Program – I’ll give you an example of a problem...and that was, I met with teachers and counselors at most of the black schools in Texas – in Houston, to try to sell them...see they weren’t counseling kids to go into the electrical trades or whatever, and I laid out what the opportunities would be, if they could, to that one group there. And when I got through

with it, one of the black counselors stood up and said, *you gotta be joking....says, we find people with those qualifications, we send them to medical school.*

And I said *well, I'm not joking, and you don't send them to medical school. Most of your graduates go into education. And then people who can be electrical apprentices, as you know - apprenticeship training is partly managerial training. They can become contractors and make good salaries and have much more interesting work. I think what you ought to do is not send people anywhere. You ought to make knowledge of different situations available to them, and then let them decide whether they want to be electricians, or plumbers – or whatever.* / 02:11:44

And always with me I had somebody - a black person who had graduated from the apprentice programs and who ...I said, *Eddy tell them what you do and how much you make.* And none of the teachers made as much as this journeyman electrician.

But you had to fight that. Families didn't believe it. You know I found that in almost all the things I'm doing. Once something becomes institutionalized, people don't try to change it. And you've got to have a conscious intervention to change it. / 02:12:21

And that's what our Apprenticeship Outreach program – and most of our programs that we started here, were that way. One of the big projects we had was the Tennessee Tom Bigbee Waterway Project. Now they were recruiting people from all over the world to work on those projects - and ignoring the black people along the waterway. So we created a project – I did it with operating engineers – the International Union of Operating Engineers with Jay Turner - who was international president.

And what we did, we had a cooperative movement with rural people we had formed here – we had a federation of Southern cooperatives we had worked with, so we got those people to become heavy equipment operators...you know farmers – low income farmers. But that system had become so institutionalized - they were bringing in people from Scotland – to do a lot of that work, when they had people right there who, with a little training, could do it. / 02:13:33

Plus the fact that the Scots didn't want to be in the Delta – to be living along the river. But people already live there – so why not create opportunities for them. the discrimination part of that was the TVA – which we had also studied, was run by the U.S. Department of Agriculture, where discrimination was rampant – so they helped institutionalize the discrimination in those areas, and you had to break all that down. / 02:14:02

AA: And this project was - when you say “WE” – you mean the Marshall Center was doing this work?

RM: Yeah – we did the evaluation and recommendations for what to do next...and I guess in that one, we instituted - the same thing with the Apprenticeship...anyway, in responding to Willard Wirtz, he said that was exactly what we needed to do. / 02:14:30 In fact Bobby Kennedy said our work on the construction industry was the best social science research he had ever seen. He wasn't friendly to union-type work, but he was to that.

AA: 02:14:50 So let's go back to the Labor Department days. Another big initiative - or a piece of legislation was the increase in minimum wage.

RM: Yeah.

AA: ...and that was not an easy sale, basically.

RM: That's right. And it wasn't an easy sale to the macro-economist within the department, so we had a rule. Juanita Kreps – who was Secretary of Commerce, was also a labor economist, also there was a tendency to keep her out, so we made an agreement with President that we would be including what was called the Economic Policy Group - now it's the National Council I guess you'd call it. And the rule was, if you couldn't agree among yourselves, then you had to take it to the President and he would agree – he would decide. So when we were working on the minimum wage, orthodox economists are philosophically and psychologically opposed to minimum wages. You interfere with the market. Many of them have the same attitude towards unions – unions are interfering with the market. And the market is their baby, as one of them said. And therefore you create an immediate buy. / 02:16:26

So economists have created these models to show that if you raise the minimum wage, you get unemployment – and if you raise the minimum wage you get inflation. That's a faith – not a real theory. Because a faith is that which endures in the face of adverse reality. You know if every time you raise the minimum wage you *don't* get that result, you ought to question your results.

And for a long time they wouldn't question their results, and my view is, what a minimum wage does is to help the market work better than it would otherwise, because a lot of people get excluded, because - even using their models, nothing to do with their competence and ability to do that work. And it's a lot better to put them to work doing useful things than it is to have them unemployed. And if you don't pay an adequate wage, you're going to have trouble getting people to make a living doing those things. / 02:17:34

But anyway, in this case, early in the administration, we couldn't agree. Charlie Schultze, who was Chairman of the Council of Economic Advisers, and I and I think the Secretary of the Treasury – Blumenthal – all went in to explain this to the President. And Charlie was a very good economist – very good about most things...and he had his charts showing how you would create unemployment - and create inflation....and of course inflation was a serious problem – had *nothing* to do with labor markets. The perpetuation of discrimination had something to do with labor markets. Inflation was due to external or price jumps – not much workers can do about *that*. / 02:18:29

So they tried to explain to the President that he would get more inflation and unemployment if we raised the minimum wage, and when Charlie finished, I told the President, *if I wanted to waste your time, I could demolish everything they just told you, because that's what we do in Labor Economics. But what they've told you is irrelevant to our problem. This is not an economic problem. We're talking about people at the bottom of the economic ladder. They're people who are not members of unions, they don't have a lot of education, and they won't get a job unless we give it to them. Now that's a moral problem is what I think – hasn't got a lot to do with economics.*

The second thing we've said is that we believe people ought to make more when they work than when they don't. We want to reform the welfare system – to encourage

people to get off. Now if people take a wage cut when they get off welfare, you're not going to reform the welfare system very much - now that's a moral problem.

Our statement about people ought to make more...that's an "ought" – it's not a scientific statement. We just believe if people go to work – out of welfare and go to work, they ought to earn more. You ought not to diminish their standard of living. / 02:19:54

So the President said, *we'll raise it.* He agreed to it.

So when we got out in the hall, leaving the Oval Office, Charlie Schultze said, *that was dirty!* And I said – *no Charlie, that wasn't dirty.* I said, *the trouble with you guys is –you're mono-lingual. But I'm bi-lingual. You know I can speak Baptist. And the President understands that a lot better than he does all those charts and graphs you all got, plus the fact that if I wanted to waste his time, I could have taken your stuff apart.*

'Cause as you know, that's what I've been doing for a living – for a long time./ 02:20:40

But anyway, that's how we got the minimum wage...and it also shows you why it's important for a Labor Economist to be involved in economic policy-making. Because as a realistic approach to how the labor market actually works rather than a model in your head about how it works ...a model is useful most of the time, but it's only a first approximation, and you have to go beyond that. And anybody who's trained in Labor Economics will understand that, and will help the President with that. / 02:21:17

AA: 02:21:25

Secretary, you also had a role, a big role, in the Carter administration in international matters. Can you talk to us a little about why you view the international aspects as so important?

RM: 02:21:41 - well, international things are very important to workers, partly, in a globalizing economy...you know - it hadn't happened yet, but what was pretty clear was that the labor market would be globalized along with business, and therefore you need to have a way to protect workers' interests in, say, international trade matters...and as I mentioned, the macro-economists were bad about excluding labor economists ---the trade economists were worse about excluding, because they considered everything we were doing as being pure protectionist, and therefore that was bad. / 02:22:38

They didn't want to have a worker's voice articulated in their proceedings, and I thought that it needed to be articulated. And we were in the Cold War still, and the fight – the whole Cold War was about what do you need to do to protect workers, to improve their conditions...that's what Communism, Socialism was all about. Capitalism said - we'll do it – the market will do it – you don't have to have these interventions.

So part of the fight – and of course, in the global polity, one of the big fights was for the support of workers, everywhere. Workers in Poland, in this hemisphere – and as you know, in Chile – the big question was, who can best protect the interests of workers? And that was THE main issue in my mind - what kind of system can best protect the interests of workers. And I believe strongly that a democratic system would, and that you couldn't have a democratic system unless you had free and democratic unions. / 02:24:06

And therefore what we should be about is both protecting the labor - so that you don't allow labor standards to be the way you compete – you know, suppressing labor standards. That's not easily understood, because people accused me of wanting to have an international minimum wage – I said no – I think that we ought to have an

international minimum wage standard. There's a difference between having low wages because of your level of development, and having low wages because you're holding them down in order to obtain a competitive advantage. The latter is unacceptable. The former is perfectly acceptable. / 02:24:51 But you don't get the latter, unless you have a wage standard. And you're not going to get a free and democratic society unless we help unions in places, organize, and bargain collectively, and form their own...but we should insist that they be free.

And as you know, there have been several un-free international labor movements. Some un-free because they were run by the Catholic Church. Some un-free because they were Communist-dominated. So you have to have a way to strengthen both labor standards and the right of workers to organize and bargain collectively. / 02:25:45 You couldn't do any of that without being heavily involved in foreign policy, and through the ILO – which is the oldest of the United Nations' organizations.

And we took a very active role in the ILO – partly for the labor standards thing, but as you know, when we came in, Henry Kissinger had written a letter threatening to withdraw from the ILO, because they were perverting the process...they wanted to do Security Council work within the ILO, and make everything political. And anti-Israel work in the ILO. And that diverted attention from trying to get workers better wages and protect their safety and health and all the rest of that. / 02:26:40

So when we came in, the big issue immediately for the administration was, do we honor the Kissinger letter, or not. Well I looked at it and said, *I think we do, for 2 reasons: one – well, several reasons...one: we need to have some continuity in government. You know we're getting a bad reputation around the world, 'cause every time a new administration comes in, we change foreign policy. Well how do you build alliances and trust with that? And I'm inclined to support the best things the previous administration did, but to resist those that are unacceptable.* / 02:27:20 *and I think Henry Kissinger's letter was acceptable, and we need to do that.*

To show you why I thought it was important for me to be involved in that, is that the Secretary of State did not believe we should withdraw – and honor... The National Security Adviser did not believe we should withdraw...because they say it was not right – we're part of the international community and we helped create all these institutions and their usual thing – that you need it. And I said, *well, I don't think it's necessarily in our interest to be part of an organization that is perverting its basic purposes, as the ILO is, unless we can cause them to change:* / 02:28:11 *But what I hope is, and what I expect is, that once the ILO and the other people in the ILO believe that we're serious about withdrawing, then we'll be able to have leverage to be able to get the changes that we need.* / 02:28:17

And I had all kinds of overtures from other countries ...Britain came to see me, and said, *we've been trying to do all these things you've wanted us to do, in order to keep you in* - and I said, *what bothers me is you didn't want to do them. If we've got a culture where we're all supporting this, then we ought to want to do it.*

And I had an Ambassador assigned to me – a guy named Horowitz – and I said, now I want the world to understand that we're serious, 'cause the President had said, during a debate, in fact he passed me a note during a debate, and said, *Ray, we will withdraw.* That was the first time he ever passed me a note.

Of course Zbigniew and Cy (Vance) were arguing against withdrawal. And when the President made that decision, the international community was surprised. Because they thought *they* would win that argument. In foreign policy, naturally you're going to pay more attention to the Secretary of State or the Security Adviser than you are to the Secretary of Labor. But the President didn't - he saw the logic of what we were trying to do. / 02:29:50

But the international community was not convinced, and the Soviets were not convinced that we would withdraw. The Soviets tried to make overtures to me through the Finnish Labor Minister, who was the only Communist among the OECD group - and since I could speak some Finnish, the Finnish Minister of Labor let me know the Soviets were concerned about it. / 02:30:33

But anyway, my overtures to countries through Horowitz didn't work - they didn't change. So we withdrew. And when we withdrew, then we got change, and the community began paying attention to what we were doing. And I think the ILO was a better organization as a result of that. A weak organization - in the sense it doesn't have the power to enforce the conventions. I would have given it power. What I was trying to promote was a tighter relationship between the World Trade Organization and the ILO so that you would enforce the labor standards through trade agreements. And the WTOs resisted that, because they're dominated by trade people who believe all that's protectionist anyway. / 02:31:10

But in the end, ultimately I think that's what we need to try to do - as well as have labor standards within all of our trade agreements. And they ought to meet the requirements of a good standard or a good law of any kind. They ought to be fair, they ought to be transparent, ought to be enforceable, ought to be sensible. If you can do all those, we'd do a lot better job of making the international labor market work better than it does.

But what the ILO does is important, but not as good as it could be, because it mainly had moral authority, and what I've learned with moral authority is it works mainly with moral people. And if you're dealing with immoral people, then you're gonna lose that one in the short run. You might win it in the long run, but you're going to have trouble in the short run. / 02:32:10

But I also believe that our work to strengthen the labor movements in different countries... I know for sure that we strengthened the labor movements in countries. I think that Solidarity in Poland had at least as much to do with the fall of the Soviet Union as Ronald Reagan in telling Gorbachev to *tear that wall down*. Because that was the real threat to the regime - a democratic movement creates a bias against an autocratic movement - and vice-versa. President Carter would always tell us, don't ever give any encouragement to autocrats of the Left *or* the Right and let them understand what this is all about. / 02:33:02

I think - and I know for sure - that the formation of COSATU in South Africa - the Council of South African Trade Unions when I was Secretary of Labor, blacks couldn't join unions in South Africa. So I wouldn't meet with their Labor Minister - whatever they call him - I think it was maybe not called Labor Minister, but because of that---and they changed it. They were worried enough about us, and worried we would start boycotting the mining industry ... I was giving that as an example, not what I

thought I could do - to them. / 02:33:36 *You know you will lose economically if you continue to do this.*

And I think that COSATU had at least as much to do with the relatively peaceful transition to democracy in South Africa as the ANC. The ANC was made up mainly of preachers who didn't have their feet on the ground. And I had dealt with a lot of preachers in the labor movement – good people, but completely out of touch with reality a lot of times – and would get the workers in trouble because of that. / 02:34:13

And I think we strengthened democracy for a time - I think we're backsliding now - but I think in this hemisphere there was great concern about what President Carter thought about him (General Figueiredo in Brazil) and his human rights approach to foreign policy.

I learned this first-hand in Brazil. I represented the United States at the inauguration of General Figueiredo in Brazil, and it was during Camp David. Fritz Mondale was supposed to go, and they had me go / 02:34:54

As soon as it was announced I was going to go, a group of dissident trade unionists asked to meet with me. The State Department was very concerned about that. They didn't think I ought to do that. But the Labor Attaché in Brazil thought we should do that and he said *these are reasonable people...* and I told the State Department I wasn't going to extend any kind of recognition to them, I just wanted to hear what they had to say.

And when I met with General Figueiredo the next day, he knew I had met with them, and he was delighted. They thought he would be offended. He said, *what did you think?* And I told him, *well, I think these people were eminently sensible.* I tried to goad him – I said *I notice there are not many live dissidents in Brazil – how do you guys stay alive?* And they said *we know that better than you do, so we're gonna do everything out in the open. But we want the international community to support what we're doing.* / 02:36:16

And they liked what President Carter said. But my message to them, and to General Figueiredo, is that *democracy is a very untidy business, but it's very efficient in the long run. And you would get a lot more help at what you want to do, to move towards a democratic system, by democratically elected unions, than you will from these people you are paying to be union leaders. They're not elected by anybody, so they don't have much voice with the workers – but these guys do.* / 02:36:52 *It will be in your interest to encourage the development of free and democratic unions, and democracy. We applaud the distance you've come. We regret the distance you still have to go...* was the main message. / 02:37:11

And Figueiredo then asked me if I would meet with his Labor Minister, who was being sworn in that afternoon, a man named Macedo, who was a banker – he didn't know much about labor things at all. He learned a lot about it – he turned out to be a good man - I met with him for about 4 hours and give him my democracy speech, and one of the funny things that happened was, after several hours of discourse, they were genuinely interested in the mechanics of - how does it work? You tell us that a free and democratic union is necessary for freedom – but how does that work? What causes that to come about? / 02:38:03 And what is your evidence that a democracy can be efficient?

And I said, *well, one of the best ways is that serious problems get solved in democracies. And they don't get solved...you never have a famine in most of these*

countries like India that have come - because they're democratic. Because it's a solvable problem and if you don't solve it, you lose your job. And self-preservation is one of the main things they're interested in. So that was the mechanics of it – you know, spell it out – they wanted to know in some detail, how does this work ?/ 02:38:40

And at the end of it – I guess it was Figueiredo's person who brought me over there, said, *well, the trouble with your logic is, that every time we let the people vote, they don't vote for us. And I said, well that's kinda the way it is. I can imagine a scenario where they wouldn't vote for anybody else.*

And incidentally one of the people in those meetings was Lula da Silva – who's later President of Brazil. / 02:39:15

And it goes back to the value of the Labor Attaché program – now they call it the Labor Officer program. They are as important to the State Department as I thought I was – or I thought the Secretary of Labor ought to be, to an administration...is to help them understand why this is. / 02:39:38

I guess it was Warren Christopher who told me--- I guess we were trying to strengthen the Labor Officer program, after I was Secretary of Labor---he said, *now that the Cold War's over, I don't know if we need it. And I said, well that shows how little you understood about it to start with. It's not a Cold War thing – the Cold War was part of a democracy-creation process – by causing international markets to work better than they would otherwise. / 02:40:05*

And he agreed with that – and they kept the Labor Officer program. I don't know – I haven't looked at it lately, but the fact that we had a Labor Officer program...in fact Cy Vance – 1st Secretary of State, told me before he died...shortly – I met him up in New York, he said one of his regrets was, he didn't take my advice and put a Labor Attaché in Iran. / 02:40:36 Because part of the logic is, you get a whole lot better information if you got somebody who's dealing with workers and mass movements and knows what's going on on the ground,. If you're just dealing with Shah and the elites, you know you don't know what's happening and they didn't know what was happening – had very bad information about what was going on in Iran. And that's the value of that program – one of the reasons to have it –and one of the reasons I paid a lot of attention to it. / 02:41:10

AA: And you also formed a group of economists – The Copenhagen Group.

RM: Yeah – The Copenhagen Group...

AA: Can you tell us about that, and why that was important?

RM: ...and what we found – and the OECD, which was another group we devoted a lot of attention to, because I wanted *them* to pay more attention to labor matters. The OECD is made up mainly of the rich countries, and run/dominated mainly by orthodox economists, and their thinking about things – or politicians and their thinking about things...

02:41:55 - So we formed--- the Minister of Labor from Denmark is Sven Auken, was his name...he and I got to be pretty close, and it turned out that the Prime Minister of Denmark had been a graduate of the Harvard Trade Union Project– Anker Jørgensen. And they were working together, and they were kind of natural allies to what I was trying to do. But one of our problems within the OECD - and particularly the OECD Labor

Ministers, is some of the Labor Ministers knew something about the job, and some didn't – you know some just got the portfolio – but you had to keep it at “show and tell” or you'd lose them. / 02:42:43

There were 8 or 9 of us who had been professional labor market - labor – the economists – people, and Sven Auken was in that group, and we decided we would form a group that would meet separately from the others, and we started in Copenhagen, which is one of the reasons we called it that.

And it was an extremely valuable institution for those who were concerned with workers' safety for a number of reasons: one was that you learned a lot by studying what other people are doing – the *comparative adaptive* idea. So we'd take issues that we wanted to take up that we were having trouble with, and that someone else was having trouble with, and study those jointly. We'd try to find the best practice. And then get a better idea about what *we* ought to do in our programs. And that was a useful reason to have that together – was to learn. / 02:43:49

The other reason was to strengthen the labor function within the OECD. As you know, the ILO is tripartite. They've got separate agencies for trade unions and employers. And what we started doing is making it tripartite to the degree we could. And the way we did that was to hold a meeting and invite both sides to the meeting – and breakfast or dinner, or whatever, and discuss problems we found to be joint.

And so having that group meant we had an added boost to our function within our own government. Because Helmut Schmidt for example would never come to the United States without bringing his Labor Minister. Well that meant I had to be involved in that. So that we were able to strengthen our functions within our governments as well as learn between them. / 02:44:57 And also strengthen our position within the OECD because we were trying to get some things done that other people were not trying to get done.

AA: 02:45:12 – And you also had the International Bureau of Labor Affairs...

RM: Yeah – ILAB

AA: ILAB.

RM: Yeah - International Labor Affairs Bureau. That was another part - that's where we did most of our international work. / 02:45:25 I started off with that by getting Howard Samuels, who as you know had been President of the Industrial Union Department. And who I had known for some time and worked with – to come and be the Deputy Under-Secretary for International Labor Affairs.

He was superb. He knew a lot of these international labor people already, particularly big organizations like the International Metalworkers Federation, and helped get them on our side. He also – they helped a lot with immigration work. We hired special people within ILAB to do that. He helped a lot with the labor standards in our trade agreements, and helped us do what we needed to do to protect immigrant workers in the United States / 02:46:22 ...have a foreign worker program that protected the interests of both American workers and the foreign workers – which was a lesson we learned from the *Bracero Program*: if you didn't have somebody looking out for the workers' interest it wouldn't be looked out for. / 02:46:38

AA: And that was done out of ILAB?

RM: Yup – all that was done under ILAB - under Howard Samuels' leadership. And he couldn't have been better. He would organize groups well within our government, and did a good job of dealing with his counterparts in other departments. And was well-enough informed, and wise enough to be able to convince people that what we were doing was in the interests of the United States as well as other countries.

AA: 02:47:17 - What's your opinion or reflection on the state of the international labor movement right now?

RM: I don't know enough about it right now. My guess is - what I DO know about it is, it's not doing as well as it could. And we seemed to be headed in a much better position when I was there, in Washington – I thought we were making a lot of progress on a lot of fronts.

I think the same thing on discrimination. I'm surprised...if you'd asked me then what it would be like in 2018, it would not be like it is in 2018. I would have projected the progress we were able to make in the '60s – and we're institutionalizing things, and moving forward. And I would have thought that in the international environment now – that there would be enough pain created by globalization that the world would see that it would be much better to have a strong international labor movement. If democracy was expanding, and if you wanted it to expand...you'd have to have a stronger international trade union movement. / 02:48:39

The fundamental question in any market, is how are you going to compete? In an international market it's more obvious. You've only got 2 choices about how to compete: you can either compete with costs and wages - or you can try and compete by standards – and productivity, quality, education, training, minimum wage – all the rest of that.

If you adopt the equitable growth strategy, which is what I think we ought to have, and which I'm surprised the world does not yet have more of now – it would be a lot better. Why? Well, there's always somebody with lower wages. Wage competition is a loser and you wouldn't want to win it. And in a high-wage country like the United States, and in all the wealthy countries, it means you get convergence in international markets by lowering the wages in the high-wage countries. Well, I can't see too much future in that strategy, which is what we adopted – our wages have not increased - real wages, very much, since the 1970s. / 02:50:06

And the other option means that you improve education, training, productivity, wages - and you have a much more equitable distribution of the benefits. And I - in my mind, that's just a lot more sustainable. I think growing inequality is not sustainable in a democracy. You will either become autocratic, or you will get chaos. The other option is to have democratic institutions.

And I think part of the problem is that I think people misinterpreted - people in the United States especially, but I think in other countries as well, misinterpreted the demise of the Soviet Union. / 02:51:01 They interpreted it as a victory for free-market fundamentalism, which wasn't the case at all. It was, in part, a testament to the strength of democracy, and the strengthening of democratic institutions. And therefore we ought

to stay on that path – we ought not to go try to believe that the market will solve all problems, and that labor standards are protectionist and discrimination against women is not a real problem – because women are different therefore, and they shouldn't make as much as men, 'cause they gotta have babies, and they can't be in the workforce and have a career. And all that stuff you get from the institutionalization of problems / 02:52:01

And if you believe in free-market fundamentalism, there's no room for affirmative action, or labor standards, or any of those things. And you get what we predicted – you get declining real wages. You get---Mexico and the United States have a low-wage development strategy. It means that we're both losing, because the Chinese had lower wages than the Mexicans, and now of course the Vietnamese have lower wages than the Chinese.

The Chinese are beginning to see...I went to China. When Deng Xiaoping came here, and he wanted me to come to China and talk about labor markets and the like, and I thought they were gonna get on a better path – that they seemed to be likely to move in a democratic move ---but now we're not. And I think one of the worse things Ronald Reagan ever said is that *the government is the problem*. / 02:53:03

The debate ought not be about the size of government – but it ought to be about the competence, which is what we were trying to get it to be, and once you just let the market take over, what you really mean is you want wealthy people to control the system. And that's unfortunately in my mind what we're getting in the global...

You see, as long as the business community was worried about the Communists they were quite ready to agree to the development of free trade union movements all over the world. And the closer you got to the Soviet Union the more they worried about it. That's the reason you've got many democratic systems in Finland – where I was for a year as a Professor. And I noticed that. The business people there were a lot more supportive of their trade unions than they were in the United States. / 02:54:07 But once that threat was removed, they reverted to kind of this fundamentalist way.

And it weakened unions – as you know they're in decline almost all over the world –but it's deceptive in a place like Germany because they have the Works Councils, and therefore workers still have voice. Works Councils are kind of like getting government to pay for your local unions. And even though the DGB resisted that when we imposed it on them after World War II – you know that was one of our inventions, is to make them have "*Mitbestimmungsrecht*" (German word that refers to workers' right to co-determination) - the unions and companies resisted, but now they don't. So ...but the fact that they've got the residual of that democratic system ...it means that workers will be better off than in a country like the United States where they don't have a voice much at all. / 02:55:15

(PAUSE and tech chat for audio levels)

AA: 02:55:38 – Secretary, going back to the Labor Department...tackling these *big* problems that the US economy faced back in the '70s, and still faces today, one of the things you did was to set up the Tripartite Industry Committees. Can you talk to us about what was the reasoning for that, and do you think it was successful - and do you think it's something we should be thinking about now?

RM: 02:56:07 – Well I’ll answer the last part of that first, and say I absolutely think we ought to be thinking about it now. The Tripartite Committees were based on the need of all the parties to work together on their common interests. They’re also based on the need for all the parties to understand each other, and have much better information. In a polarized society, one of the biggest problems is that people really don’t have good information about each other.

Now what we found in the Carter administration, early, and what I think I already knew, was the government really didn’t have good information about industry. It had statistics – that’s not necessarily good information. It’s a good place to start, but top-down information without bottom-up information is useless if you’re trying to make important decisions. / 02:57:11 So you need to have some way to get much better information than you have – about specifics, rather than how the general economy is going.

We had some serious problems because we didn’t have good information about energy, for example. We kind of got stampeded into dealing with the coal strike, because the Secretary of Energy had misinformation about the impact of the coal strike on energy supplies. He had information from the 1950s and ‘60s – and not from our time in the 1970s. And so I had to get heavily involved because he came to a Cabinet meeting and said if we don’t get involved, we’re going to have serious trouble...and laid all this out. The President asked me what I thought about that, and I said *I don’t agree with any of that, but he’s got data and I don’t have it. And you’re risk in not believing him is a lot greater than your risk in not believing me.* / 02:58:26

Because part of what that did is upset our fundamental collective bargaining strategy – which was to stay out of it. Because my view of it was – and I had to convince the President of this - if we get involved in it, the price of settlement will go up. Because if one side believes they can get more from us than the other side, we should stay out of it. They will not bargain, and we want them to bargain. / 02:58:58

So that was an example of not having good information. And then when we were dealing with industries that were in trouble, because of growing globalization – like steel, autos, aircraft. Most of our industries in the 1970s were under attack from Japan, and other countries – who were encroaching on the American market, which our companies thought they had for a long time.

And of course each side – you know, those activities - tend to blame somebody else. I think one of the biggest problems in trying to deal with a serious problem is assigning false causes. / 02:59:47 You know they would say – *it’s the government’s fault, or it’s the union’s fault.* They couldn’t all be right.

So we formed these Tripartite Committees partly to give everybody better information. And information that was not only bottom-up – but “understanding you”...you know there’s not much you can do in looking at government data to tell what this guy who’s running the steel industry or steel company is really like. Or what the union president is really like. You have to work with them. / 03:00:22

And we adopted a rule in all these committees that we wouldn’t let anybody recommend anything until they agreed on the facts. And we got much better understanding. In the steel case for example, we created tripartite study committees to go around the world and look at the steel industry.

And they came back at the end of the studies, and when I asked them what has surprised you all most about this, almost in unison, Lloyd McBride speaking for the union, and Dave Roderick speaking for the companies, said how little we knew about the steel business. See they knew how to do what they were doing, and they learned a lot about what other people were doing, and therefore made better decisions about what the causes were.

And it wasn't government regulation. We found that government regulations cost the Japanese steel companies more than they cost our companies. / 03:01:28 They just spent them on different things.

So that was an important part of it. The basic idea was, you don't necessarily ask the parties to do anything they're not responsible for. We were responsible for trade agreements, and responsible for taxes and other things that affected the industry. The industry's health affected taxes and the government – so we had mutual dependence on having good decisions, and trying to narrow the range of disagreement. And facts tended to do that. / 03:02:05

Another industry committee that I thought was extremely useful was the Construction Coordinating Councils in each area – each labor market area. The government does a lot of building; the Labor Department is responsible for Unemployment Compensation, so we're interested in keeping unemployment in the industry low. Government's interested in getting good building at lower prices. The companies are interested in the stability of employment. The union's interested in the stability of employment. So these coordinating councils got together and worked on the problem. / 03:02:53

And we had what's called a "bid calendar" – and you wouldn't try to do all the work in the spring. You don't have to. But you have to have some joint planning. The government's going to say – when we're going to build – and you can do a lot of the outside work in the spring and summer, and do the inside work in the winter. And that evens out the work...the workers have more constant employment, the Labor Department pays out less in Unemployment Compensation, companies are able not to have to pay premium wages at a time of shortage. And nobody's really doing anything different from what they're supposed to do, except be sensible – to talk with anybody.

Now unfortunately the Reagan administration opposed those committees, and did away with them. I think that was unfortunate...in fact, Mac Baldrige, the Secretary of Commerce in the Reagan administration, told me he thought it was a mistake for them to do away with those, partly for all the benefits I've outlined. It's what I call a "low-budget high-impact" activity – and the government ought to do as much of that as it can, and you ought not to be opposed to that for ideological reasons. / 03:04:18

AA: And another area - related but different – where Tripartite work is really necessary, is in the area of immigration policy.

RM: Yes.

AA: Can you tell us about – you started this work in the Carter administration - tell us about that. And then later we worked together at the AFL-CIO on this issue so tell us about that, and can you start with immigration...

RM: Well immigration in 1977 didn't seem to be as much of a problem for people as it is now. When we were getting our agenda together, before it even went into government, the President asked if anybody saw anything we'd overlooked, and I said *yes, I think we need to deal with immigration*. And I had been doing some work on immigration, and we had a debate about it. / 03:05:15 Some members of the Cabinet thought it wasn't too much of a problem – we ought not to have to do much with it.

But the President in the end was convinced ...my basic argument was: *it will get worse if we don't deal with it. Because the Immigration Act of 1965 has changed – it will change the demographic composition of the United States for one thing*. That shows you again the problems created by inadequate information.

When they passed the Immigration Act of 1965 and made family reunification a basic principle of immigration, the argument that President Johnson and then Senator Kennedy used is this will perpetuate the population demographic of the United States. Well, if you had nobody who knew in depth about what was going on, then the global market would have believed that, because Europeans were not eager to come to the United States by then. We had broken the family connections, but with a long period where we didn't take a lot of immigrants. / 03:06:39

We had to prepare for diversity, and prepare for more immigrants coming from different places – we needed a much better way to manage it than we had – they were keeping records in shoe boxes – in what was then INS – the information system was really not very good. / 03:07:00 And people were too eager to ignore the basic problems you would get from having much better information.

It was fairly clear to me, from long study of it, that if you just left it up to employers, then you'd get a lot of immigrants and they'd be paid low wages – lower wages than market wages in the United States, and that would damage American workers and cause backlash against the immigrant workers, so a much better way to do it is to import the immigrants when there are real shortages, so you need to measure shortages. / 03:07:44 You ask employers, *do you have a shortage* and they *yes*, unless they want to have a layoff, and then they say that we don't have a shortage – but not many employers' groups believe – you've got labor shortage – or narrowly – and they will say...you ask 'em – *how do you know you've got a shortage*, they'll tell you how many people are applying to get the visas. Well that doesn't tell you anything about whether you really have a shortage. So what we need to do - we need to understand all of that.../ 03:08:28 and so part of what we did – what I did – is to do whatever I could about protecting foreign and domestic workers to require that...your ability to exploit a worker can never be a legitimate reason for you to get workers, if you're trying to get us to certify workers to come in.

And of course the companies said they weren't doing that, and they couldn't find people. We never *failed* to find people they said they couldn't find – in most cases. I know of a few cases where you really would have had trouble finding people – and it's true you can't get 'em as quickly, but that doesn't mean you can't set up a mechanism to get 'em. / 03:09:17

And we had an order to protect American workers---we had to see to it that both American and domestic (foreign) workers – so we enforced the labor laws.

03:09:35 / One of our best projects we called The Employers of Undocumented Workers Program. We set about rigorously enforcing the labor laws in all those places we knew had high incidences of undocumented workers. We weren't going to enforce the immigration laws – because it's silly to try to combine labor and immigration enforcement, because you've got to rely on the workers to help you enforce the labor laws. And they're not going to give you a lot of help if they think you're going to deport them. And that you're out to do that. / 03:10:15

So that project collected a lot of money from employers...we found 100% violation of wage and hour laws, for example - and sent money to foreign countries, to workers, after we retrieved them. Now the value of that was – if you're really going to do it, then the employers will use legal means to hire people, and not illegal. As you know, if one of your options is to hire somebody off the books, illegally – or to follow the laws – both sides will frequently say *we'll do it off the books* – both the workers and the employers. So you have to understand that and prevent that from happening. We did - we tried to do that. / 03:11:04

Now another outcome was the creation of the Select Commission on Immigration and Refugee Policy, following up on the idea that we don't know enough. You know we don't even know how many unauthorized immigrants there are in the country – and we didn't know then. We got Census to help us come up with an estimate, but the estimates were all over the map. And we developed better ways to measure shortages.

And I think the Select Commission created a pretty solid analytical and factual basis for immigration reform. / 03:11:50 Unfortunately they didn't do it – they didn't pass a good law in 1986, which was the time that got passed, and partly it's because they didn't meet the standards of a good law – it wasn't enforceable. And people who were responsible for it, knew it.

Actually the most successful part of that law was what was then called the “Amnesty Provision” - where they did follow what we recommended, but they didn't develop effective identifiers, so that you would know whether somebody's in the country legally or not. They gave you 20-some odd identifiers, all of which are easily counterfeited, and so we created a cottage industry in counterfeiting documents, rather than passing a good law. / 03:12:47

From that, I think, we learned what a good law would look like. And I think we came close to putting together a good bill, when you and I were working on that. The 2013 bill – I didn't call it a good bill, but I called it an acceptable bill. And much of it goes to what we've been talking about before – about getting good information, good recommendations ...and I had recommended that we create an independent commission to do that, and in the 2013 bill they created a bureau in the Department of Homeland Security, which is not independent at all. It has to be an organization made up of professionals... you have to inoculate them from the political process and insulate them from that, to the best you can... / 03:13:51 ...so that they *can* produce good recommendations and get good data - concentrate on doing that. They can get the kind of top-down bottom-up data that I think you need if you're going to understand immigration and try to deal with it. / 03:14:15

By benchmark was a British Migration Advisory Committee – MAC. It had a good reputation – both political parties recognized them ...they were not afraid to speak truth to power...which is what you really need.

Now, that doesn't mean that you insulate the process from politics. You can't do that. In a democracy you shouldn't do that. But what you can do is to make the democracy work better. That is, if you've got better data and you make a recommendation to the Congress, and that data's public, then the Congress can make better decisions. They can't make good decisions if they keep the same caps, for example, for 20 years, with a rapidly changing market. / 03:15:10

And that's one of their problems now – is that - like the H-1B cap is inflexible. They'd have a flexible system - and part of what a Commission would permit you to do is give the Congress the information, and it could either act on it or not. But you'd give them some cover for not responding to the employers or others who want them to do things. If an independent group said we do or don't have a labor shortage, you're in a much better position to act. Or if an independent group could say it will or will not have an adverse effect on American workers. Nobody knows that now because we don't measure it very well - but you *could* know it...that's part of what we need to do. / 03:16:12

But it's also the case...we were talking about 2-3 million unauthorized immigrants, now we don't know how many we got, but the latest estimate from Pew is almost 11 million – it was higher than that - 12 million. But we ought not to be making guesses about these things. My argument with people who resist the Commission idea is: *what do you think monetary policy would be like if it were made by a committee of the Congress – instead of the Federal Reserve system?* It'd be chaotic – more chaotic than it is.

And the same thing for international trade policy. The International Trade Commission does a pretty good job of making recommendations to the Congress. And we ought to do that with immigration. / 03:17:07

AA: Secretary, one of the reasons we were able to get that bill through the Senate in 2013 which, I agree with you, is imperfect...

RM: But good – acceptable.

AA: Acceptable, yes, definitely. It preserved the family unification system, it provided some rational method for new entrants...one of the reasons we were able to do that was because we had the unions on the same page. We had finally arrived at a unified labor movement policy after decades of...

RM: Division...

AA: Yes, of not having that.

RM: And actually, resistance.

AA: And very fragmented and viewed by the unions.

RM: Yeah.

AA: You came in in 2008 – President Sweeney brought you in, to head up the process. Talk to us about that process ...and just do reflections on what did you learn from different unions, and how you were able to build a unified policy. / 03:18:09

RM: Well, the way you do it is - in the first place, you gotta have trust. They have to believe it when you say, I'm trying to do something that will help us solve a common problem - it's your problem, my problem, the country's problem. And therefore let's see what we can do – put together the best framework we can to deal with that problem. It helped in my case that I knew what their problems were and how they worked, and I understood collective bargaining and was sympathetic to the growth of a free labor movement. / 03:18:50

Otherwise it was just talking with them, and they would have objections, and meet those – you know, legitimate – and not yield to those illegitimate ones, but if it's legitimate - say, *well I think we can fix that.*

But the overwhelming argument then, with all of your colleagues, was: *this is in your interest. Your future depends pretty much on what we do on immigration. And some unions more than others. And it's to your advantage to help us come up with a better solution to this.* And I think that worked. That's what caused them to...you know there were differences as the margins, but I don't know anybody who disagreed with the framework that we set up. / 03:19:50

And of course an important part of that framework that the 2013 bill dealt with was: *what do you do about the unauthorized immigrants who are already here.* That's easy to demagogue. And it's easy for people to not understand how we got it, and therefore what is the most sensible way to deal with it.

We got it because we didn't pass a good law to start with. But you know there's no point in arguing about that now – we did, and we got all these people here, and we ignored it until 9 -11...and all of a sudden if you're trying to enforce a bad law after you've ignored it for years, you'll make things worse, not better. / 03:20:43 - and that's pretty much what we have done.

And a sensible way to deal with it, is to have people who meet certain standards, certain requirements – we'll adjust their status. It is *not* in our advantage to have 11, 12, 15 million people living outside the protection of our legal system. And you're not going to deport 15 million people – I don't think - it doesn't make any sense to do that. Those people who came in had every reason to believe that the country didn't consider this to be a serious problem. If it did, they couldn't have come in...they couldn't have gotten jobs. The IRS wouldn't issue them a tax account. The banks wouldn't do...their country counselors told them it was all right. And they also knew that in many cases, where they started trying to enforce the law, the members of Congress from that district would come after the INS and say, *why are you trying to close plants in Georgia?* That happened in Georgia.

So if you were one of those workers, you would believe, as one Texas judge put it, *our immigration policy is an amiable fiction.* But now, if you're going to make it serious, one of the best ways to correct it is to clean up the mess you've created by having a bad law, adjust the status of those people, bring them into the legal system – and not have them living outside the legal system – and you can say, as many do, that what you're doing with that is encouraging illegal immigration. / 03:22:54

And unless you have good enforcement strategy, that's true. But now if we're gonna have a good enforcement strategy, you can't make that argument anymore. And people will have a legal system that crowds out the illegal system. And that's what we're trying to do – I still think that's what we need to do, and it's not going to help us at all to constantly drive a wedge between immigrants and the rest of the population.

/ 03:23:34 – The most neglected part of immigration policy is the integration policy – how you're going to integrate immigrants into the system. Not many countries have done that very well, and that's the way you avoid long-run conflict – being a diverse population. I think the Canadians have done that reasonably well - even though they have people who criticize...I agree, they could be better. But what the Canadians do, which I think we ought to do, is at least have fact-based solutions their problem. Their system is flexible, and they're constantly trying to improve it – which is another one of the main reasons to have good data. And a good data system increases flexibility and understanding. / 03:24:31

So anyway, I think that's where we are now, and that's what we ought to do.

PAUSE

AA: / 03:24:42 – Secretary, I want to move a little bit now to the current moment, where the current US President, Donald Trump, has been using this issue of immigration, as a very divisive tool. Do you think that...what could we have done to prevent that? Would passage of the bill in 2013 have been enough? In retrospect...

RM: / 03:25:10 – Well I think if we'd been serious about it, it could have made things much better. Because it had an adjustment of status provision, and it dealt with the “Dreamers” and others, and I think we need to deal with that. But it goes back to having a good enforcement strategy - and it's not a good enforcement strategy to say we're gonna round everybody up, or - and it goes back to my earlier statement about employers of unauthorized immigrants: we need the community's help in getting the really serious criminals and dangerous people. You're not gonna get their help if they complain about criminals in their own neighborhood, we're gonna deport them – that we'll indiscriminately deport everybody. So you've got to have a smart strategy for how to do that. /03:26:11

So you're not gonna solve the problem by building a giant wall either. You build a wall – people come in other ways. Think of how much it violates the sensible requirement to cut the money for the Coast Guard to build a wall. Now where you think the people gonna come in – if you cut the money for the Coast Guard. Or to not understand that many of the people, maybe half, now come in with visas. Unless you're gonna stop people from coming in at all, then you're not gonna stop people with a wall. / 03:26:58

Part of understanding the situation that we face is that there is a “border industrial complex” – that is dangerous. It creates a waste of resources. They will build a lot of prisons - they will hire a lot of people to try to deal with this problem, and they will rationalize why they're doing that. Well, you need to have those industries, but you need to understand that's what they're doing. And have a strategy that won't let them get away with it. / 03:27:40

I also believe that what we were trying to do with an independent Commission – it needs to be independent. It needs to have people who are appointed because of their professional competence rather than their political affiliation – so they can really *be* independent – maybe long staggered terms. And they need to be experts so people have confidence in what their recommendations are.

But that’s my concern about it – that we don’t really have a sensible strategy. / 03:28:26 Some of the things the administration is trying to do, you can support – like we need to enforce the law better...we need to have a better law. You know if you’re trying to enforce a law that doesn’t make much sense anyway, then you’re really going to create a lot of problems. And they are...indiscriminate deportation. It violates our values as well as common sense. And disrupts families – and all the rest we ought not to do. / 03:28:58

But by the same token we can’t let everybody in the world that wants to come to the United States, come to the United States. We have to establish some priorities, some agreement on that. And get the kind of people that will support an equitable growth strategy rather than supporting a low-wage development strategy. / 03:29:21

AA: Secretary, your scholarship and your work has reflected one philosophy – that is, that workers’ voices - you wrote about this in Unheard Voices...*Workers’ voices are a key part of policy making, and that they have to reflect it. Unless policies reflect the real-life experience of workers, they don’t work.* Can you talk to us about that, and do you see that reflected in current public policies? / 03:29:50

RM: Yeah. I do. I think that too much of our policy is made by people with a vested interest in the policy. And since workers don’t have – they have less power now...about a fourth of the workers in the country were members of unions when I was Secretary of Labor. And now we’re down into single digits, and headed lower, for other people. So the ability of workers’ voices to be expressed now has greatly diluted from what it was.

And I think that’s a mistake. And it even goes back to Franklin Roosevelt who said, *You aren’t going to have enduring prosperity unless all major groups share in that prosperity.* And if you really believe in a society and in common interest of people who are Americans, then you have to have all voices expressed. / 03:30:53

And now, they’re not expressed. Workers have very limited participation, except through the voting process. And trying to have a voting process without unions is like trying to have a voting process without political parties. You know somebody has to organize the groups to express their interests ...and somebody needs to organize the workers.... /03:31:26

I wrote another book about 1970...in 1967 - I guess it was - something like that, called Labor in the South – and this was what I was complaining about then, was that people who were trying to industrialize the South who were opposed to any kind of worker programs because they had a low-wage strategy. They were recruiting a lot of industry that was on its way to the 3rd world. / 03:31:57

The *free rider* laws, called “Right to Work” – I don’t know why anybody ever let them be called “Right to Work” – it doesn’t have anything to do with the right to work. The only reason they got the “Right to Work” – the so-called “Right to Work” laws, was because that was the only provision in the Taft-Hartley Act that would allow a state to

override the Federal Labor Law if it was harder on unions than the federal law. / 03:32:29 And so they invented this thing called “Right to Work”.

Texas was one of the first to pass one. And all the arguments about it had nothing to do with union security – and had everything to do with: if we pass this law, employers will come to Texas. Industry will come to Texas. That’s what you get when you have a low-wage strategy. Now some places in Texas decided not to go that way, and they’re doing very well – Austin is doing very well, because we didn’t adopt a low-wage development strategy, and I’m worried about the country adopting a....what I thought then was that we would get convergence – that the South would become more like the North in labor protections, labor laws and all the rest of that. / 03:33:24

I was right about the convergence, but the North became more like the South – that’s the way that convergence has taken place. And they adopted these *free rider* laws, that if you had a way to explain to people, many fewer people would support those laws.

And you’ll notice that when they put it on the ballot, and not leave it to the legislature, they’re less likely to pass – because you’ve got time to debate and see what it’s all about. And so what you do – it’s a *free rider* argument...you’re telling the world that workers have elected to have a union, the law requires the union to represent everybody in the workplace or it would be unconstitutional, and people who benefit from the democratic process that has been exercised should be required to pay something to support it. Is that fair or not? / 03:34:30 Well almost everybody would say that’s fair, to require you - if you’re benefitting from something, that you ought to got to pay for it.

Now what that’s got to do with free speech - and right of people to work, is a different matter. But we also know, and research evidence shows that, that if you can create a situation where people *don’t* have to pay, many won’t. And that will weaken the institution that you’re trying to protect. It would be like if you say to a city or county – *pay taxes or not. If you don’t want to pay ‘em, don’t pay ‘em.* You don’t have to think long about what would happen in a situation like that.

So I think our democracy is being weakened by not having stronger worker voices. / 03:35:29

AA: And what is your - what are your thoughts about the path to union revitalization – strengthening those voices?

RM: Well, several things. One: what I would say to people in the labor movement...*get ready.* As Abraham Lincoln said, *I’ll get ready and my time will come.* There will come a time, and it could not be far off, when there will be an explosion of opportunities for workers to organize. That’s the way it’s always been – you know it’s never been slow. The American labor movement doubled in size in one year - 1986 – when the AFL was organized. It doubled in size I think in 1937 when you start to get...a lot more workers would like to be members of unions than are members of unions, but they’re afraid they’ll lose their jobs if they join, or there’s great resistance and therefore they don’t want to do that. So if you just have free opportunity to do it... / 03:36:40

Now if you’ve got heavy unemployment and scarce jobs, workers are *more* afraid to try to exercise their bargaining rights, then they’re likely to have in the world we’re moving into...we’re going to be in a world where there will be many fewer workers relative to jobs – that’s demographics. It’s kind of built in. / 03:37:07 And that will

strengthen the ability of unions to organize. It will because employers will resist paying higher wages and benefits – health care – they’ll make everybody a contractor - or deny you benefits.

So unions could do a lot, and not necessarily collective bargaining unions. I think supporting groups like the *Workers Defense Project* here in Texas is a good thing for the unions to do. They don’t have to go through the NLRB collective bargaining process, which is stacked against workers’ ability to organize. / 03:37:51 As you know, the right to organize is constitutionally guaranteed and therefore anti-worker forces have great trouble telling you you can’t organize. But collective bargaining is *not* protected.

But some kinds of bargaining and political action... unions can make good use of the social media to organize workers. They don’t have to go to factory gates now to organize them. So I think – my sense of it is, that public policy should mainly make it possible for people to organize and bargain collectively. / 03:38:40 We ought not to *require* that they organize and bargain collectively, but if they want to do it they ought to have an accessible way to do it. And that’s not true now. So unions and supporting groups like the *Workers Defense Project*...my sense about any kind of campaign is you need to organize your friends and disperse your enemies. / 03:39:11

And unions will have a lot of friends. It’s turned – the public support for unions is increasing. And of course the other thing is - my advice to ‘em is - *be democratic. You know you’re supposed to be collecting the voices of the people and presenting that to the political process and to employers. If you’re not doing that, if you’re not really representing all workers in your jurisdiction, then you’re not doing your job.* / 03:39:46 *So do your job. Represent workers.*

And we don’t have to be restricted to the requirements of the law now, because since we couldn’t pass the law in spite of our efforts to pass labor law reform...we had got an acceptable law through the House of Representatives with almost a 100 vote majority – and had 59 votes in the Senate, but couldn’t break a filibuster. / 03:40:18

AA: What happened there?

RM: With the filibuster?

AA: Yeah.

RM: Well, you see people will say, Democrats controlled both houses of Congress, and the White House, so why couldn’t you pass labor law reform? Well the first answer is, a lot of the Democrats were cheating the Republicans out of dues all the time anyway – so many of them were still there, and they were inventors of this slogan “Right to Work” and strongly in favor of the Right to Work laws... / 03:40:56 ...strongly in favor of using low labor standards as a development device. And they saw we were going to take that away from them. So we only got one ...most Senators in 1978 from the South, were Democrats. There were only about 4 Republicans, as I recall. And we only got one of those Democrats – Jim Sasser of Tennessee – and we had people – well-regarded, like Dale Bumpers of Arkansas, we couldn’t get his vote on that.

We couldn’t get any of the - both Louisiana Senators were Democrats, including Russell Long, son of Huey. And Russell said he would be the 61st vote, but not the 60th. /

03:41:51 So there was great resistance at that time. And we were beginning at that time to believe that the free markets would solve all problems – you didn't need unions...that was an anti-union thing...in fact the National Association of Manufacturers formed a Council for a Union-free Environment – either “Council” or “Committee” - I can't remember which, but I told them – that was an abomination!! / 03:42:26

But when I talked to say German employers, or Scandinavian employers, they'd ask me: *Explain that to us...you've got the only labor movement in the world that embraces capitalism, and the capitalists are trying to destroy it!* And I said – *don't ask me to explain it, 'cause I can't.* They don't - they're looking out for narrow interests – but not the interests of the country – which is I think in their long-run interest. / 03:42:59

So the answer is – even though it looked like we had a comfortable majority in the Senate...we had a comfortable majority in the House – just like it is now, and we had no problems in the House. But we couldn't break the filibuster. And the reason we couldn't break the filibuster...I figured that Senators representing about 15% of the population of the United States blocked the will of Senators representing 85% of the population of the United States on the labor law reform. Well that shows you we've got a structural deficiency in our democratic system by allowing filibusters to prevent the will of the people from ... / 03:43:52

I'd joined a group after I left government to do a way with the filibusters, and one of the first volunteers I got to do that was Goldwater. You know he said, *You're absolutely right - we can't make the system work as long as you've got the filibuster.* So he signed up early, in a bipartisan effort.

So anyway, part of the answer was a structural problem, part of it was interests – that is, the National Right to Work Committee and Right to Work people had done a good job of confusing the issue – by what they called it in the first place. They won the PR battle with the name...if they'd called it “Free Rider” arguments – “Free Rider” bills, which is what I wanted to do, you'd get fewer votes. / 03:44:44

But then it went downhill, because the weaker you got, the harder it was to prevent those laws from being passed. But I think one strategy for the unions: put it on the ballot. You know – mount a campaign, like they did in...Missouri – and people will vote against it. If you get a campaign, explain what it is,...if anybody asks you if you believe in the right to work – what are you gonna say? *Absolutely.* If they ask you if you believe people ought to pay for benefits they receive, you'll get fewer “yeses”. / 03:45:26

PAUSE

RM: 03:45:19 - Ok Ana, you asked a question, you can ask it and answer it.

AA: The question is: if you would explain Senate Bill 744 - the 2013 Immigration bill.

RM: Well the strongest parts about the bill in my view was the “Adjustment of Status”. We would adjust the status of unauthorized immigrants who had been in the country for a stipulated period of time and had stayed out of trouble with the law – hadn't committed serious felonies. It also beefed up the regulatory process, which you always had to do, and that was a good thing to do – we needed to deal with that. / 03:46:23

We opened the door to being able to get my Commission, by calling it a Bureau in the Department of Homeland Security. My objection to that was, in the first place, that's hardly independent, the kind of independent commission you need...secondly, Homeland Security knows very little about labor markets. When we tried to get data from them about labor market immigration, they didn't have it. They got all this data - but they didn't know anything about...

AA: ...Right. And that was Senator Schumer who fought it...

RM: ...labor market aspects of that, so not a good place to have it. The most important reason not to have it in Homeland Security is they will regard immigration as a regulatory problem - a law enforcement problem - and not a labor market problem. At least the labor market part of it should be at least in an independent agency or in the Labor Department...but what they did was to put it in the - for political reasons - put it in the Department of Homeland Security. / 03:47:35

So anyway, I think those are the principal provisions of that law that made it pretty good. We also have moved somewhat towards tightening up the identification problem.

AA: And that we worked on creating a new type of worker visa that was not fully temporary...

RM: Oh yeah...

AA: ...but had the ability to ...

RM: Well my view about the temporary worker programs is that you should reform them, but you ought not to create any more. What I would have done is made some reforms in each one of them. I think for example temporary worker programs ought to specify more explicitly about what is "temporary" - what the time period is, and they contemplate doing some of that. / 03:48:29

AA: Ok - So, just in closing, another defining feature of your career, Secretary, has been that you've been such a teacher and mentor to so many people, including myself...and I wanted to see if you could share some words of advice for those who might be contemplating going into this world of work - whether as economists, or labor lawyers, or organizers - or even thinking of just running for office within their unions. Can you share some reflections and advice that you would give? / 03:49:09

RM: Well first thing I would tell them is it's a good field to get into. I don't know any field of economics where you would feel you were able to make a contribution. The other part of advice I would give to them is educate yourself...acquire knowledge about what's going on, and more important than that - acquire skills that will enable you to analyze and decide problems ... / 03:49:47

One of the books I co-authored was called, Thinking for a Living - and I think in any field these days you've got to do a lot more thinking about what you're doing - be

sure you want to get into that. And you have to recognize that there are conflicts. That is, there's a conflict in our immigration work between what is a good thing to do from a humanitarian perspective, and what is a good thing to do from an economic and political perspective. And you have to recognize - and you can't let any of those dominate. If you did - if you let the humanitarian part dominate, *you'd say all right – open the borders.* The Republicans accuse Democrats of believing in open borders. But I've never seen a Democrat who believed in open borders.

But that's a humanitarian thing and you can relate to that. But that's an important part of what you need to be doing, as much as you can, to have people who will agree on those values. / 03:50:55 and have the skills to separate those out and to come up with solutions to problems on the basis of facts, evidence – and it can be a good career.

As I mentioned, I started out to be a lawyer. I would have been a lousy lawyer, but I think getting into labor economics was exactly the right thing to do. And the value of it I would say to people who were thinking about labor economics, is that it brings all of the parts of economics together. That is, there's a robust theoretical component, which is what I started out thinking I would do, then I decided well, that doesn't really have a lot to do with improving the conditions of anybody or really understanding what's going on in the world. You need to know that first, but I really want to understand how to deal with workers' problems...how to improve wages, working conditions...and combat discrimination against people. And no other area does that. / 03:52:18 No other area of economics does that. And therefore I found it to be a satisfying career.

And as you say, one of the things you can do, and one of the reasons I founded the Center, was you can magnify what you do through your teaching, and writing and the like, so you're not just out there in the wilderness all by yourself. / 03:52:41

AA: Thank you. Is there anything else you want to add?

RM: No I think that's it.

PAUSE

RM: / 03:52:55 - There's some disagreement of course about the reasons for the decline in union membership. Some few economists, conservative economists, would say they were mainly products of the industrial era and therefore have no relevance to the present. I think that's wrong - and that they do. As long as you've got workers, workers should have organizations to represent their interests.

Another reason for the decline as I mentioned is the development of this "free market fundamentalism" as an ideology. It's not really a science, because it doesn't meet the requirements of science – but is the belief theoretically by economists that unions are bad for the economy – they interfere with the market. And the extent to which that's spread caused kind of political opposition to unions, as people said, *well they're not necessary.* / 03:53:59

Now in the 1930s - the reason to have unions – they put it in the National Labor Relations Act – "to prevent periodic recessions and depressions." And you didn't have any trouble convincing people in the 1930s that that was the important thing for unions to do. It was called the High-wage Purchasing Power idea. And that caused me to be taught,

in Mississippi schools in the 1930s and '40s, that unions were good for the country. Because we'd been practicing for the Depression 50 years before it finally came. / 03:54:42 ... and people understood that if workers didn't have money - that was part of the New Deal - we must have the New Deal for the forgotten people, in labor and agriculture. That's where it came from.

And the New Deal for labor: money. Demand. That's what would keep the economy going. And once that no longer became the dominant issue - the dominant issue today is not how you prevent recessions and depressions, though that's still important. The dominant issue today is: how can people have relatively full employment and rising wages, and how can we have equitable distribution - if you're as I am and think inequitable distribution is wrong. / 03:55:32 Well that old theory about what the union was for - the High-wage Purchasing Power doctrine - no longer fits the new requirements. So the unions have to come up with a new rationale for why unions are good for the country. / 003:55:50

And my view about that is - that the rationale now is: that that's the only way you're going to *have* equitable growth - is for somebody that represents the workers to see to it that you have an equitable distribution of the benefits and costs of change. And that's more sustainable than having greater inequality. / 03:56:18 Because in a democracy, inequality is not sustainable. You will have a plutocracy before it's over if you don't deal with that. / 03:56:28

And so I think unions stressing the democratic...the part that caused them trouble making that argument - same thing that caused the founders of the country to have trouble, is that what they did was so different from what they said that people had trouble believing it. But what I found is that the people that believe it most are those that have been excluded. They're the ones who *really* believe in freedom, equality and justice. And the people that are resisting it are those that said they believed in it all along. / 03:57:05

Well, a union can articulate that for people ...so I would say that the rationale for unions is have an equitable growth and a healthy democracy. / 03:57:20

PAUSE

AA: Secretary, another issue that you dealt with as Labor Secretary were strikes. Can you talk to us about what the administration policy was and what happened.

RM: / 03:57:41 The basic policy, if you believe in collective bargaining, which I do, and did then - is you let the parties solve their own problems. That's part of the genius of collective bargaining - you can fit the solution to the nature of the problem. And if the government intervenes, then bargaining tends to get weakened, because if one party believes it can get more from the government than from the other one, then they won't bargain. So we adopted a policy early of staying out of strikes - except if it's in the national interest. / 03:58:18

Now part of what we had to do with that - after our fiasco with the coal strike - was to develop better information about strike impact. I created a task force within my office that would ...long before any negotiation was completed...to get the facts about what the impact is likely to be. So when the Secretary of Transportation came in and said we needed to intervene in the Teamsters' negotiation, because if they close down all the

trucking lines, we're going to have great trouble...I could say first: *if we don't get involved, the people won't even know they had a strike. But if we do get involved, they will.* /03:59:02

AA: What was the fiasco of the coal strike?

RM: Well, the fiasco was - we got involved! And we didn't want to get involved. The President didn't want to get involved - I didn't want to get involved. So I wanted them to solve their problem. I did not believe it was a national emergency. But one day Jim Schlesinger came - Secretary of Energy - came to a Cabinet meeting, and said if we don't involved - he had this data to show it was going to cause great trouble.

And we got involved, and what was predictable is what happened. That is the cost of settlement went up, the parties quit dealing with each other. The union was weakly led at that point - this is before Rich Trumka was there. / 03:59:56

And they had weak leadership, because they had the strongest leadership in the labor movement during the 1930s with John L. Lewis. And no saplings grow in the shade of a giant oak. And John L. Lewis once told me that democracy almost destroyed his union, and he wasn't going to have any more of it. When I asked why he had all of his Southern district under trusteeship, he said the idiots that our people elected sold them out. / 04:00:27

So he didn't have a strong belief in democracy, and when I asked him why he didn't create a Fair Practices and Anti-Discrimination Committee like Walter Reuther did, his answer was: if I wanted to avoid the problem, I'd do what Walter did - because I'm the Fair Practices - and he hit his chest like this - in this union, and down in the coal mines we're *all* black. / 04:00:54 And you're not worried about what color they are - you're worried about what they're gonna do when the going gets tough.

And therefore they didn't develop a lot of democracy, and they had weak leadership then. And then of course the biggest problem that extended that strike - I think it was 111 days - a long time for a strike - is that the company people thought they could get more from us than they could from dealing with the union, and the worst thing they did was to lie. / 04:01:32 We entered into an informal agreement - with people there - and then I went and sold that ...the president of the union said you've got to sell it to the bargaining committee - a committee of about 20 -30 people, maybe even more than that - he says I had to go and sell it to them, and I did. I said, here's the settlement that we've come up with...took it back now to finalize the deal with companies.

And the spokesperson for the companies said, *well we didn't ever agree to that.* Because what they thought then was that I had gotten the deal so easily that if they hold out, they could get more. / 04:02:19 You know, I could go back and sell some other thing to them that I didn't sell on the basis of our first agreement.

And then I told 'em - *nothin' doin'*. We're going to stick with this agreement, and that what we finally settled. But then I had trouble with it - when the union bargaining committee found out that the company was reneging on our agreement, they got mad, so they weren't as eager to settle now. So you really had a mess on your hands, all around. / 04:02:54

And you also - because of the anger by the coal miners, there was a real threat of violence in the coal fields. Jay Rockefeller, who was then Governor of West Virginia,

called me and he said: *We can't enforce the law in West Virginia, because the law is enforced by local sheriffs and they're elected by these strikers - and we're likely to have a serious problem. You need to figure out some way to deal with that.*

So what we did was to invoke the Taft-Hartley Act – and knowing all along it wouldn't last, but would last long enough to get things settled. And the way I did that - we sent marshals into the coal fields, and told the local union leaders: *I'm your marshal – I'm watching you - if you try to commit violence, we will arrest you.*

And we had enough coal above ground to overcome any inconvenience on the supply side. And told the union leaders: you've got to prevent the violence. If not, the federal government will get involved in this. / 04:04:21

And that's how we got it settled. But think of how messy all that is. If had just let the people resolve it...so that was the fiasco that was created by inadequate information to start with.

So what I did then was to create a Strike Impact Committee - a task force within my office - and we knew with high probability what the impact of any strike would be, so when companies would call me and say, *what are you going to do about our strike?* – I would say: *you said the magic word. It's your strike, not mine. And I don't know why we should get involved in it.* The Long Island railroad did that. / 04:05:04

So anyway, that was the basic strategy we used to try to strengthen collective bargaining. The other way we strengthened collective bargaining was through appointments. I appointed people who believed in it, like Howard Samuels and others. And the Tripartite committees, as you know, gave credibility to the unions in decision-making both within the government and within the companies, and that helped them with their membership – to say, we're working on problems for you, we passed the Civil Service Reform Act – Title 7 of that. It gave federal employees, the first time in history, the legal right to organize and bargain collectively.

And then we tried to pass the Comprehensive Immigration Reform - and I actually went out and campaigned against Right to Work laws... / 04:05:56 ...to the consternation of the National Right to Work Committee – and helped get one defeated in Missouri I think, and Kansas, and other places.

So that's how we strengthened collective bargaining – that's how we dealt with these strikes. And a strike has a legitimate purpose. The legitimate purpose is to get things out in the open, so you can resolve them. If you don't contain it, then they could get out of hand. That was what was happening to the coal strike. The best way to deal with strikes is to prevent 'em. Have the parties bargain in good faith, reach a settlement, and then ... / 04:06:42

The other thing we did was to agree to strengthen FMCS – the Federal Mediation and Conciliation Service. / 04:06:44 – appointed people there who understood the institution and believed in it. And appoint good people to the National Mediation Board, National Labor Relations Board...so that the answer is we worked pretty hard at strengthening and protecting collective bargaining and preventing strikes, but not intervening unnecessarily unless in *was* in the national interest.

And under the rulings of the...about the only time you can justify intervention is national security. And I didn't see any national security in the coal strike...I didn't even see a serious problem to start with in the coal strike, until we got involved in it. But once we got involved in it, it became a huge mess. / 04:07:42

PAUSE

AA: 04:07: 47 - Secretary – final question. With regard to the current President, Donald Trump: what are your thoughts his policies, his impact on unions, on workers, on how he got elected – anything else you want to share.

RM: Well, the first thing I would say it, it's unfortunate that he got elected. It's also unfortunate that Democrats and Republicans didn't pay attention to the problems that a lot of workers faced through time – and that's the reason I wrote that book: Unheard Voices. It was predictable that you would get such an outcome if you ignored serious problems that workers faced.

The good thing about the Trump administration is that he's focused attention on those problems. The bad thing about it is he doesn't understand the problems, he's assigned false causes. He understands very little about international trade, for example – and the trade deficits. It's not a sign of failure because you're running a trade deficit with a particular country; you're not going to solve the workers' problems of displacement through tariff policy – that's what he's led people to believe you can do.

And he's not going to solve the problems with coal miners with tariff policy – or with “trickle-down economics” – which Republicans have always used, and has never worked anywhere in the world... / 04:09:34 ...if you cut taxes for the wealthy, somehow that's gonna trickle-down and make everybody – make workers better off.

Workers are not better off, and they understand that now. That's the reason they didn't make his tax cut a major issue during the 2018 mid-term campaign – is because it's not popular with workers. And it's not popular with workers to weaken their healthcare system, which is what they're doing – if they had repealed Obamacare.

One of the big lessons – and the reason OSHA is so important, is that one of the most serious problems of workers is healthcare. Not just on the job, but in their families and lives. That's one of the reasons John L. Lewis was such a strong leader – is because he paid more attention to health and safety than he did to wages. And there was never a cave-in that he wasn't there – communicating to the workers. / 04:10:48

Incidentally one of the ways we solved---one of the things the government did to try to solve that coal strike was to bring Mine Safety and Health into the Labor Department, and I guaranteed them we would do everything we could to prevent “brown lung” – to prevent cave-ins, to do a way with coal dust in the coal mines. And they believed it.

So health and safety is terribly important, and to weaken that is not in the best interest of workers. But ignorance is a serious problem, because what you *think* you're doing to help workers could make their condition much worse in the long run. And I think they're doing that. / 04:11:37

They're not addressing the real problems that workers face. And I think the other problem that workers will face is that, in order to pay his trade deficit – his tax cut, he had to run a huge budget deficit. That will drive up interest rates ...that will cause the Federal Reserve to intervene...that will cause unemployment to go up. And none of that is in the best interest of workers. / 04:12:18

On the immigration front, again, I think part of what he did makes sense. We need better enforcement, but we need smart enforcement. We don't need this kind of meat-ax approach to it, which is kind of based on a superficial understanding of the nature of the problem. / 04:12:38

One of the most important problems workers and their children face is education. Not just K through 12 – but adult education. One of the things we should do is make education as much a “free good” for everybody as you can; they're making it a more expensive good for everybody, and have been since Lyndon Johnson's time. / 04:13:04

So workers looking at their healthcare, looking at the kind of education their children are able to get, looking at the false causes they've assigned - *the unions are responsible for these bad schools* is their argument. Well that's nonsense. The unions didn't even invent “tenure.” That was invented to prevent discrimination before teachers' unions were on the ground at all. / 04:13:34 To believe that you can solve the education problem through “free-market fundamentalism” will damage workers greatly. Because what you'll do is take your mind off ...they'll say well, if you create the Charter Schools and vouchers, that will cause poor people and lower income workers to have an option to go to a better school. Well why not have everybody going to a better school? Why not have fixed those schools that are not good? Why not have high standards for workers' kids?

Well the reason you don't have high standards for workers' kids is because the high-income people don't want to pay for it. If you had a proper allocation of resources, you wouldn't do it like the administration's trying to do it – you wouldn't allocate more money to the wealthy schools or to the ones that need it least...you'd allocate more money to the poor schools – which is what you ought to do. And which one of my groups is doing – the National Center on Education and the Economy. / 04:14:43

So the long and short of it is, workers have some psychological - an identity benefit they think, from following Trump. Some of them are racist, misogynist, xenophobes – and the rest of that. They get a good feeling out of listening to Donald Trump demonize immigrants...and as one of the candidates in the Florida race said about one of his opponents.../ 04:15:23 - he says, *Is he a racist? No, but the racists think he's a racist.* With these kind of dog-whistles...that's not good for workers. Workers need to be unified in a democratic system to understand the reality of - we're a multi-cultural, multi-racial society and are *going* to be, and it has huge benefits. And that the only way to realize the benefits is to prevent the divisiveness and the conflict that the Trump administration is perpetuating and strengthening as we go along. / 04:16:04

So I think that...the other thing they've done on the positive side is to focus the attention of the population about the nature of the problem. And that's the reason the mid-terms turned out as well as they did, and I think ...I don't know the whole...but I think in 2020 we'll get a better government - a better administration. And this time around I hope whatever government we get won't ignore the problems that a lot of people have. / 04:14:44

And also, to disrespect people - I think that's a mistake. A huge mistake. The coal miners have serious problems. You ought not to disrespect them. Auto workers, steel workers have serious problems. And my experience was, if you give them a rational explanation for what their problems are and what we can do to help with it, they will accept that. I haven't had any trouble convincing workers that it's better to have high

wages than low wages! Or that a safe and healthful workplace is better than one that's not. Or – that people that get along with each other will have a better life than people who are constantly fighting with each other. And if you follow the administration's policies, you'll be fighting with each other. And you can't see the end of it. / 04:17:44

You know – what's the solution to a multi-cultural, multi-racial society that doesn't have a common principle holding it together – a common set of values holding it together? You'll get chaos...and then ultimately an autocratic or plutocratic result. People will ...if things get bad enough, people will accept the totalitarian solution to it. And that's what the Chinese are banking on. / 04:18:18

END OF RAY MARSHALL'S INTERVIEW

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Interviewer Ana Avendano re-asks several questions (camera reverses / looks at her)

(Chat with cameraman)

AA: - 04:19:01

Secretary would you please share with us your thought on – what was your role as Secretary of Labor?

RM: Well my role was to protect and promote the interests of American workers.

AA: 04:19:22

During your time as Secretary of Labor, what were employers' attitudes about safety and health regulation?

RM: well...

Chat with cameraman

AA: 04:19:50

Secretary, can you share with us: what was management's attitude toward safety and health regulation?

RM: Well, there were different managers and they had different attitudes, but our job was to get them to support our position.

AA: / 04:20:16 (*doing first Q again*)

Secretary, would you share with us your experience...or, what was your role as Secretary of Labor.

RM: To protect and promote the interests of American workers.

AA: / 04:20:35

When you were Secretary of Labor, women and people of color were just starting to come into the workforce in larger and larger numbers. Can you talk about what initiatives and other programs that you created to address that?

RM: I spent a long time talking about that.

AA: 04:21:00

Secretary, can you talk about your efforts with regard to outreach in connection to apprenticeship programs?

RM: That was one of the best social inventions of the 1960s I think.

AA: 04:21:23

Can you please share with us your thoughts on – what is the path to union revitalization?

RM: The path to revitalization is for the unions to understand the present situation and do what they can to improve the conditions of workers.

AA: 04:21:54

And Secretary, during your time as Labor Secretary, your administration had to deal with some big strikes. What was your practice and what was your experience with these strikes?

RM: We mainly tried to stay out of them, unless they were in the national interest - and then we went all out to try to resolve them.

AA: 04:22:30

Would you share your thoughts on what President Trump's policies are – what impact they have on working people today?

RM: Some of his policies will bring attention to problems, but few of them will do much to solve them.

AA: 04:23:02

Can you please share your thoughts on the importance of workers' voices in a democratic society?

RM: Yes, workers have a very important role to play, and workers' organizations have an important role to play.

RM: 04:23:22 – (*Cutaway - Ana nods*) I think we need to be contemplating what we can do in a post-Trump world to get better immigration reform, and already start trying to build support for that. And I don't know the extent to which Trump is trying to do that, but he should be. And I think the policy we went through was a good one. I don't think I should be involved – I won't be involved in doing that - but he should get somebody who can help build a coalition and build support. / 04:24:01

(*Close up ANA*) – and I think that's an important part of the process – not just with the unions but with the Civil Rights and business...I worked here and I got a lot more support from the Texas Business Association than I did from the US Chamber of Commerce – though I think the US Chamber – we had some impact on.

TOTAL Length: 3 hrs. 24 minutes