

## Labor pains

**L**abor Day, conceived as a time to celebrate the American worker, has been subsumed by other messages. It's the end of summer; time for back-to-school sales, time for one last barbecue. This year, though, perhaps that's for the best. If you want to enjoy yourself today, don't spend it pondering the state of labor in the U.S.

Except for top wage earners, Americans are losing ground. While the economy created 2.2 million jobs last year, Census Bureau data show that household incomes stayed stagnant or dropped in 2004 for the fifth year in a row. Lots of Americans kept pace only by working more hours. Median pay for men was \$40,800 last year, down 2% from 2003. For women, the decline was 1%, to \$31,200.

In the city, despite steady, welcome job gains, employment is still 4% below where it was before a recession and the 9/11 terrorist attacks. And while every new job is gold, the local economy has created positions in lower-wage sectors such as health care and restaurants, rather than in areas that power the economy, like Wall Street.

Economists offer various theories for why middle-class workers keep running in place. Some say the soaring cost of health insurance is depressing wages; others contend global competition has forced employers to trim expenses. On one point, though, there is little argument: Organized labor has fallen into disarray, if not irrelevance.

The AFL-CIO, that decades-old bastion of union muscle, was rent this year by the defections of three major unions: the Teamsters, the Service Employees International Union and the United Food and Commercial Workers. AFL-CIO President John Sweeney says he expects they eventually will return to the fold, but these seismic cracks in a formerly united front reflect desperation in a movement that now represents a mere 8% of private-sector workers.

Just as devastating to organized labor is the suicidal strike foisted on Northwest Airlines' mechanics by their union's leaders. Ignoring the realities of a drastically changed industry, the union walked out rather than make deep concessions essential to keeping the carrier out of bankruptcy. Now, it is paying dearly for that miscalculation. Northwest has continued to fly, staffed by replacement workers and members of its other unions, who have refused to honor the mechanics' picket lines. And mechanics — who never had a chance to vote on the walkout — are stranded, with no negotiations, no strike pay and, most likely, no jobs to come back to. They have set themselves up to be the first union busted since the air-traffic controllers in 1981.

Some tough facts to chew on as you gobble your Labor Day hot dog.