

Risk-Taking and Coalition Politics

Lessons from the Living Wage NYC Campaign

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TO ENACT pro-worker public policy, labor unions must disrupt business-friendly “politics as usual.” Yet, organized labor is more cautious in its policy advocacy than workplace organizing. Many unions are often reluctant to risk damaging relationships with important policymakers who, in turn, are reliant on powerful business interests. Union allies, on the other hand, are often more willing to “rock the boat” with confrontational tactics that pressure elected officials through direct action. Evidence from the Living Wage NYC campaign suggests that faith and community partners can push unions into greater political risk-taking, which may lead to stronger policy gains. However, when union preferences overpower the voices of coalition partners, then the long-term viability of pro-worker policy can be diminished.

The Living Wage NYC campaign, active from 2010 to 2012, was an effort to push New York City government to create community-sustaining jobs. The campaign successfully passed the Fair Wages for New Yorkers Act, a living wage mandate of \$10 per hour tied to city-sponsored economic development proj-

ects. The scope of the law was substantially narrowed during the legislative process to cover only those directly receiving city subsidies, thereby excluding the bill’s original target, retail tenants, who are indirectly subsidized by taxpayer money. This weaker policy outcome was largely due to the coalition’s crisis of internal democracy and disagreement over how aggressively to negotiate with elected officials.

The Living Wage NYC campaign provoked a much-needed public debate about New York City’s role in producing economic inequality. The rise of low-wage service jobs in the United States is made possible by urban growth models that publicly subsidize real estate developers without placing guidelines on the types of jobs created. Developers pass on lower rents to service employers, who then pay workers low wages. Operating under this paradigm, Mayor Michael R. Bloomberg’s three terms in office accelerated the gap between the city’s rich and poor. Non-union service work, especially low-wage retail, is now among the fastest growing sources of employment. Nearly half of New York City retail workers make less than \$10 per hour.



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Authors are listed alphabetically to indicate their equal contributions to the research and writing of this article.

Campaign Origins

The idea for a citywide law began with a local campaign in the Bronx from 2005 to 2009 over the redevelopment of the Kingsbridge Armory into a mall. The developer refused to accept a Community Benefits Agreement (CBA) that would guarantee living wages and community space. The Retail, Wholesale, and Department Store Union (RWDSU) joined in coalition with the Northwest Bronx Community and Clergy Coalition to block the

Armory's redevelopment without a CBA, delivering Mayor Bloomberg a rare defeat on economic development issues. From this local struggle, a citywide partnership of faith and community groups led by the RWDSU rallied around the adoption of a citywide living wage law that would cover big box retailers and malls receiving taxpayer money.

The RWDSU is an activist union that has experimented with labor-community coalitions to win organizing drives in small-shop settings. Through its relationship with the Micah Institute, located at the New York Theological Seminary, the coalition tapped into an extensive network of churches based in the Bronx, Manhattan, and Brooklyn. The RWDSU also recruited long-standing anti-poverty groups to

the campaign, such as New York Communities for Change and Families United for Racial and Economic Equality, as well as neighborhood organizations like Good Old Lower East Side and West Side Neighborhood Alliance. Labor backed groups such as the National Employment Law Project and Good Jobs New York contributed legal advice and policy expertise. As the living wage campaign gained momentum, political clubs, anti-hunger advocates and Occupy Wall Street protesters turned out in force to meetings, public events and city council hearings. Mobilizing under Martin Luther King Jr.'s vision for social justice, these groups argued "Now is the time" to ensure fair wages. The Living Wage bill would be a step in that direction by requiring companies receiving public subsidies to

pay employees at least \$10 per hour.

Beneficiaries of the city's prevailing system of distributing public subsidies were staunchly opposed to the living wage bill. The political opposition included Mayor Bloomberg, the Real Estate Board of New York, the New York Metropolitan Retail Association, the Food Alliance Industry Alliance, the *New York Post* and two building trades unions. In contrast, public opinion polls showed that over 70% of New Yorkers favored the living wage proposal. Nevertheless, opponents argued the bill would harm the city's ability to attract new investment.

The Living Wage NYC campaign's strategy was to pressure the city council through grassroots lobbying. To win, the bill needed a ve-



Photo: Erin Michaels

Rally outside City Hall as City Council overrides Mayor Bloomberg's veto.

to-proof majority from the city council, and therefore the support of councilwoman Christine Quinn. As Speaker, Quinn controlled the flow of legislation. She was a close ally of Mayor Bloomberg, most notably in overturning term limits and delaying the passage of paid sick days legislation. Yet, Quinn's own mayoral ambitions meant she needed to court voters in the upcoming election. The Living Wage NYC campaign, and especially the RWDSU, calculated that given enough time, Speaker Quinn would move the living wage bill through legislative roadblocks. In addition to public demonstrations and insider lobbying, campaign activists urged more aggressive tactics such as blocking traffic, picketing the mayor's house, civil disobedience and the need to "shame and blame" reluctant council members. However, the RWDSU, through its political director, blocked discussions about direct action. Debates also regularly arose within the coalition to assess whether Quinn was a potential ally, as the RWDSU maintained, or too favorable to business concerns, as many clergy and community activists believed.

Integral to the campaign's success was its impressive mobilization capacity. To press the city council into action, living wage advocates gathered supporters' postcards, coordinated constituent phone calls, generated publicity and staged mass rallies. Baptist and Pentecostal churches, in particular, mobilized entire congregations of Black and Latino supporters. Thousands of Living Wage supporters filled pews across the city to urge reform at crucial moments such as the campaign's January 2011 rollout, in April when the bill was stalled and later that November before the its final hearing. Campaign events took on the feel of religious revivals. On multiple occasions, living wage activists turned out energetic crowds by the hundreds during workdays for press conferences, city council hearings and community board meetings. Up until the negotiations between Speaker Quinn and leadership of the RWDSU, the coalition continued to grow in size.

Coalition Dynamics

Throughout the campaign, latent tensions existed between community and faith groups about decision-making and strategy. As in other collaborations between labor unions and community groups, the RWDSU was

by far the largest and best-resourced organization at the table. For example, the union hired key living wage staff from the community and faith groups to support their work on the campaign. Overall campaign decisions were made informally through consultation between the representatives of the most active groups. From its central position within the campaign, the RWDSU navigated these informal channels and coordinated communication between secular and faith groups. Typically, plans would be presented at meetings to the full coalition for further debate after a round of informal discussion.

Negotiations with Speaker Quinn exacerbated these underlying tensions within the coalition. After two years of holding the living wage at arms length, Quinn was finally brought to the bargaining table by the campaign's swelling grassroots pressure. In January 2012, Speaker Quinn called the RWDSU to broker a compromise. As a condition of the deal, corporate retail tenants receiving indirect subsidies in the form of reduced rents were removed from the bill's coverage. Quinn also promised greater transparency in development policy and additional financial incentives to encourage developers to voluntarily pay living wages.

Leaders of the RWDSU unveiled the details of Quinn's new version of the living wage bill at a coalition meet-



Photo: Jeffrey Broxmeyer

Speaker Christine Quinn at the living wage coalition press conference celebrating the passage of the Fair Wages for New Yorkers Act, before she stormed out.

ing after the agreement had already been publicized in the media. At this meeting, several active member organizations objected to the narrowing of the bill. As one former RWDSU staff member later noted, “The key issue was covering tenants, that was the real fight because that’s where most retail workers are.” Living wage activists also objected to being excluded from negotiations with Quinn and to the lack of prior consultation and forewarning before the RWDSU went public with the compromise. Longstanding living wage activists interpreted the episode to mean that the RWDSU valued its relationship to Speaker Quinn over the union’s relationship to the coalition.

Ultimately, the coalition agreed to support Speaker Quinn’s compromise on the condition that stronger mechanisms of consultation would be put into place going forward. The union agreed to form a “policy team” with representatives of community and faith groups that would have future decision-making power. The architecture of the legislation, however, was already settled and a crucial opportunity to strengthen the legislation was missed.

A Win for Workers—But How Many?

Results have been mixed since the endorsement of the final compromise bill. Speaker Quinn’s version of the bill passed in April 2012. Later that June, a two-thirds council vote overrode the mayor’s veto. Despite a failed challenge by the Bloomberg Administration in federal court, Local Law 37 officially went into effect in September 2012. According to a recent report by the RWDSU, in its first nine months the mandate covered 12,488 jobs across 18 projects. This report is encouraging, considering living wage experts estimated the final bill would likely cover between 400 and 900 workers per year. However, most of these covered jobs are in workplaces that are already unionized, such as the airline industry, and not low-wage retail. It is unclear how much progress can be attributed to the living wage mandate.

In addition, the future of the living wage remains uncertain. New York City will elect a new mayor in 2013 and leading candidates have declared support for the living wage. But election year promises can be elusive. Prior research by Stephanie Luce of the

Murphy Institute suggests that living wage laws are rarely enforced in the absence of ongoing grassroots pressure. Although the RWDSU brought financial resources and policy expertise to the coalition, the faith and community groups generated the campaign’s moral authority and mobilization capacity. Unfortunately, the Living Wage NYC campaign rapidly demobilized in the wake of the legislative victory. Many of its most dedicated activists have moved on.

In place of a vigilant coalition to oversee implementation, the RWDSU is counting on its close working relationship with Speaker Quinn. The union endorsed Quinn early in her mayoral bid and its former political director has joined her council staff. On the campaign trail, Quinn has shed her long reluctance to publicly embrace the living wage and now holds it up as one of her signature legislative accomplishments. Given the persistent strength of business lobbies, however, it is unclear whether Quinn or any other mayor-elect will follow through with strong enforcement after the campaign season is over. The mistrust between Speaker Quinn and living wage activists is well illustrated by the April 30, 2012 press conference celebrating the bill’s passage. During this conference, Quinn chastised the entire coalition in front of cameras after one activist from the crowd shouted that Mayor Bloomberg was a “Pharaoh.” She then she abruptly stormed out of the ceremony. Reverend Michael Walrond of First Corinthian Baptist Church took the podium and criticized Quinn’s departure, explaining, “What we witnessed is when persons take a stance for political expediency but don’t take a stance for justice.”

Regardless of lingering uncertainty, the Fair Wages for New Yorkers Act represents a new precedent in city policy about what can be done to lift workers out of poverty. If Local Law 37 is successful, the RWDSU hopes that it can be expanded to cover corporate retail tenants. Meanwhile, the Kingsbridge Armory case in the Bronx, demonstrates what sustained grassroots pressure can accomplish. In August 2013, the Kingsbridge National Ice Center Partners and local community groups announced that the Armory would finally be redeveloped. After eight years of struggle, the Armory will be rebuilt into an ice-skating rink through a CBA that includes living wage jobs, local hiring provisions and ample community space. **P²**