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by Angela B. Cornell

Last Tuesday's midterm election in the United States confirmed the saliency of the "Fight for 15," the nation-wide struggle to raise the minimum wage propelled by fast-food workers. Even as the nation took a turn to the Right, permitting the Republicans to take over both chambers of Congress, ballot initiatives that passed resoundingly ushered in minimum wage increases in Alaska, South Dakota and Arkansas. Illinois and Wisconsin voters likewise approved increases in their states' minimum wage in non-binding votes. Initiatives at the municipal level were also successful, the highest of which was San Francisco, requiring $15 an hour by 2018, more than doubling the federal minimum of $7.25. In June, Seattle increased the minimum wage to the $15 level as well.
Last year the Democrats tried unsuccessfully to increase the federal minimum wage with the $10.10 initiative, but the Republicans opposed it vigorously, arguing that it would lead to unemployment and undermine economic growth. President Obama strongly supported the increase and in response to the failed effort in Congress he issued an executive order to raise the wage for employees of federal contractors in February. In a peculiar alignment of values, voters on Tuesday elected Republicans while voting in minimum wage increases.
The nationwide campaign had obtained substantial tangible gains even before the elections with increases in the minimum wage in New York, Connecticut and California in 2013 and raises in Delaware, Hawaii, Maryland, Massachusetts, Michigan, Vermont and West Virginia in 2014.

Walkouts, Strikes and Civil Disobedience Help Push for Better Wages
The fast food industry in the United States is not organized, and before this campaign began in 2012 job actions of any kind were rare, despite very low wages, which keep many below the federal poverty guidelines. About half of fast-food workers in the U.S. earn so little that they rely on public benefits, even those who are working full time. Many work 2 or 3 jobs to make ends meet. Wage theft is also a serious problem with workers not being paid for all of the time spent working or not being fully compensated for overtime.
The campaign, supported by the Service Employees International Union (SEIU), generated an unprecedented level of worker activism in this industry. Workers have walked off the job in protest of low wages and to support their right to organize. There have been coordinated actions in major urban cities across the country, with picketing, strikes and civil disobedience leading to the arrest of hundreds of workers. In May there was a one-day walkout in 150 cities. The protests have emphasized the harshness associated with low wages and have brought attention to the struggle. The collective action that characterizes the fast-food campaign has contributed to the very impressive success to date.

Legal Issues that Have Surfaced
A number of wage and hour issues have surfaced during the campaign, and class action lawsuits have been filed in several states alleging wage theft and overtime violations. Lawsuits filed against McDonald's have argued that the franchisor is also liable as a joint employer. The same argument

has surfaced in unfair labor practice charges filed with the National Labor Relations Board against McDonald's for the termination of workers related to job actions. Workers have a statutory right to engage in protected concerted activity. The General Counsel of the National Labor Relations Board has initially determined that the franchisor may be found liable for franchisee violations of the statute in some of the cases filed. These cases are still pending.

Wage Stagnation and Growing Inequality

Although GDP has doubled over the past 50 years, workers have not reaped the benefits as most of the gains have gone to the very top earners. Wages in the United States used to keep pace with productivity, but starting in the late 1970s there was a decoupling of the two. Despite high labor productivity, wages have been left behind. The federal minimum wage is not indexed to inflation and has eroded over time, losing 25% of its real value since the late 1960s. The last increase in the federal minimum wage to $7.25 occurred in 2009, but the $2.13 wage for tipped workers has not improved in two decades. This situation is further exacerbated by the declining union density rate of 11.3%, with only 6.7% from the private sector, which has limited the wage-bolstering impact of collectively bargained agreements.

Lowering real wages has contributed to growing inequality that has reached the extreme levels seen in the 1920s. On the Gini Index of Inequality, the U.S. is now ranked as high as many Latin American countries. The top 20% of households receive more than half of the national income, with the top 5% receiving most of the income gains. The bottom 60% claim a shrinking 26%. The official poverty rate in the U.S. is 15%, with 21% of children living in poverty. There are 16.1 million poor children and 7.1 million living in extreme poverty. Among OECD countries, the U.S. has one of highest relative poverty rates.

Moving Forward

Just this month, fast-food workers announced an eight-country tour to build alliances with international partners. The workers will be meeting with counterparts, including McDonald's workers in Denmark, where they earn $20 an hour and have significant benefits. The campaign hopes to expand the coordinated international job actions that have occurred earlier in the year.

Despite the conservative tilt in electoral politics, voters agreed with the thrust of the campaign that America's low wage workers deserved a raise. While union organization in the fast food industry may be a longer struggle, the Fight for 15 has already contributed much to advancing the interests of low- wage workers and the just campaign for an increase in the minimum wage.

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