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## Chicago's Living Wage

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As Americans return to their jobs after Labor Day, they should remember that this Republican Congress has refused to raise the minimum wage, which has remained stagnant at \$5.15 for an unconscionable nine years. In the GOP's latest display of contempt for working Americans, Republican lawmakers recently attempted to attach a minimum wage increase to a bill that would cut the estate tax and cost the Treasury \$268 billion over the next decade. According to the GOP, in order for those Americans who have been doing an honest day's work for \$10,700 a year to get a raise, Paris Hilton and the richest 8,200 families must receive yet another irresponsible tax cut the country can't afford. Democrats refused to go along with the GOP's cynical legislative shenanigans and the bill failed to pass the Senate.

Tired of such callous disregard for hard-working people, grassroots activists and progressive representatives at the state and local levels are stepping up to the plate. Twenty-two states and Washington, DC, have enacted higher minimum wages than the federal government, and several more may raise wages this November, thanks to ballot initiatives. On the local level, a landmark ordinance was recently passed in Chicago, handing the living-wage movement its most significant victory to date. On July 26 the Chicago City Council voted 35 to 14 to require "big box" stores to pay a living wage of \$10 plus \$3 in benefits per hour to employees by July 2010. The ordinance affects stores that net more than \$1 billion annually and that occupy more than 90,000 square feet, including Wal-Mart, K-Mart, Toys 'R' Us and Home Depot.

"This ordinance brings hope to thousands of people. A job should lift a person out of poverty, not keep him in poverty," says Alderman Joseph Moore, the law's chief sponsor. "Chicago is on the forefront of a growing movement in cities and towns across the nation to fill the void left by the federal government."

The victory was the culmination of two years of massive mobilization by Chicago's Grassroots Collaborative, and it did not come easily. The coalition--which included ACORN and a wide array of labor, faith and antipoverty groups--faced strong opposition

from Wal-Mart, big retail associations, Chicago's mainstream media and the city's powerful mayor, Richard Daley.

The campaign kicked off in 2004 when Wal-Mart announced plans to open a store in Chicago's heavily poor and black South Side. Madeline Talbott of ACORN knew that opposing Wal-Mart outright was a losing battle. "Our members are low-income folks, and Wal-Mart is their favorite store because of the prices," Talbott said. "But they were also appalled by the company's practices. A lot of them said, 'Yeah, I want to shop at Wal-Mart, but I've got a sister who works there in another neighborhood, and she gets no benefits, and it's been terrible for her.'" When Talbott and fellow organizers discovered that Costco, one of Wal-Mart's major competitors, was paying a living wage and providing benefits while still turning a profit, the idea for the big-box ordinance ("We didn't want to make it just an anti-Wal-Mart thing," she says) hit them.

The Grassroots Collaborative began mobilizing on the ground, knocking on doors and organizing house meetings. The response from the community was overwhelming. In February it delivered 10,000 signed postcards supporting the ordinance to the City Council. A month later an alderman put the issue on his ward's ballot as a referendum, and it passed easily.

As the City Council began to take the movement more seriously, the opposition became more intense. Wal-Mart and the Illinois Retail Merchants Association (IRMA) spent vast sums on a large lobbying campaign and advertising in Chicago media, including on the popular black talk-radio station WVON. The city's major newspapers, the *Sun-Times* and the *Tribune*, consistently attacked the initiative, toeing the corporate line and arguing that it would lead to huge job losses for Chicagoans. Mayor Daley, notorious for his viselike grip on the City Council, loudly opposed the measure as well.

Despite overwhelming pressure from powerful moneyed forces, the movement continued to gain support. Days before the City Council vote, a Lake Research Partners Poll commissioned by the Grassroots Collaborative found 84 percent support for the ordinance--90 percent among African-Americans. "They had the money, but we had the people," says Talbott. "It was a stark reality to see this huge media frenzy coming out against us, but in the final weeks we had so much support there were people literally ripping signs out of our hands and hoisting them in the air, cars honking everywhere we went, tons of people joining our rallies and calling their officials."

The aldermen sided with the people, but the fight is far from over. First, there's the possibility of a veto from Daley, which would be his first in seventeen years in office. But Daley would have to convince two aldermen to switch their votes in order to avoid an override, and with such overwhelming support and continued pressure from the Grassroots Collaborative, that would be difficult.

Then there's the brewing legal challenge from the IRMA. Many opponents are confident that the courts will overturn the bill by finding it in violation of federal ERISA standards; they point to Maryland, where the courts killed the Fair Share Health Care Act (which

would have mandated that Wal-Mart and other large companies provide health benefits). Yet Paul Sonn of NYU's Brennan Center for Justice, who helped craft the Chicago ordinance, says this law is different from Maryland's and that he's "very confident" it will be upheld. "Every federal court of appeals that has reviewed a wage and benefit law like this one has upheld it under ERISA," he contends.

The ordinance is already making waves beyond Chicago's city limits. Alderman Moore has been fielding calls from politicians across the country interested in passing similar bills, and Illinois's ACORN office is sharing strategies with grassroots organizations in other urban areas. The victory has boosted energy and confidence in the campaign in Washington, DC, which is considering an ordinance like Chicago's. "We've tapped into something," says Talbott. "The demand for a decent wage and decent benefits is so strong. These people withstood all of the media, all of the scare tactics and they didn't flinch."