## Unions

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## Regulation

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## T---Strengthen

### T Strengthen---2AC

#### Strengthening a right means increasing its ability to overcome opposing interests.

Schauer 82 – Distinguished Professor of Law, UVA Law, and Stanton Professor of the First Amendment, Kennedy School of Govt. at Harvard

Frederick F. Schauer, David and Mary Harrison Distinguished Professor of Law at the University of Virginia School of Law and Frank Stanton Professor of the First Amendment at Harvard University's Kennedy School of Government, *Free Speech: A Philosophical Enquiry*,(New York: Cambridge UPress), 1982, at pp. 134-136

It would seem therefore relatively uncontroversial to assert that freedom of speech is not and cannot be an absolute right. This broad statement, however, must be tempered by two highly per- tinent qualifications. First, it is important to recognize not only the distinction but also the relationship between the strength of a right and the scope of a right. This terminology is but another way of expressing the distinction between coverage and protection that I discussed earlier, but the terms ‘strength’ and ‘scope’ are particularly illuminating here. The scope of a right is its range, the activities it reaches. Rights may be narrow or broad in scope. Defining the scope of free speech as freedom of self-expression is very broad, defining it as freedom of communication substantially narrower, and defining it as freedom of political communication narrower still. The strength of a right is its ability to overcome opposing interests (or values, or other rights) within its scope. This distinc- tion is nothing new, although it is often ignored in popular dialogue about freedom of speech. The point I wish to make here is that although the scope of a right and the strength of that right are not joined by a strict logical relationship, they most often occur in inverse proportion to each other. The broader the scope of the right, the more likely it is to be weaker, largely because widening the scope increases the likelihood of conflict with other interests, some of which may be equally or more important. Conversely, rights that are narrower in scope are more easily taken to be very strong within that narrow scope. It is much easier, for example, to say that there is a very strong, almost absolute, right to purely verbal political speech than it would be to say that a right to self- expression can be as strong. Any examination of rights must first recognize this interrelationship and then try to preserve someequilibrium between scope and strength. This is easiest but not necessarily best at the extremes. Meiklejohn, for example, definedfreedom of speech as freedom of political speech by those without profit motives. Within this narrow scope it was easier for him to define the right as absolute (which he did) than it would have been had he broadened the scope to include other forms of com- munication. Yet the more narrowly we define a right, the more likely we are to exclude from coverage those acts that may fall within the justification for recognizing the right. Freedom of speech as freedom of political deliberation gains simple absolutism at the cost of excluding much that a deep theory of the Free Speech Prin- ciple would argue for including.

Second, there is an important distinction between the absolute- ness of a political right and the absoluteness of a legal right. A strong but not absolute political right may still at the level of appli- cation be converted into an absolute legal right. The question con- cerns the level at which the weighing process will take place, and which people or institutions will be entrusted with the weighing process. In this respect the issues parallel the considerations involved in act-utilitarianism and rule-utilitarianism. We may balance the issues at the rule-making level, concluding that it is best to have an absolute right in order to preclude judges, juries, or (in the case of constitutional rules) legislatures from possibly giving insufficient weight to the Free Speech Principle in a parti- cularized balancing process. Or we may instead allow the balancing to take place at the level of application, thus permitting judges, for example, to determine in the individual case whether counter- vailing interests outweigh the strength of the Free Speech Princi- ple. It is commonly supposed that this type of ad hoc or particular- ized weighing results in an insufficiently strong principle of freedom of speech, that there is danger of freedom of speech being ‘balanced away’.\* This is probably true as an empirical observa- tion, but it is hardly a necessary truth. It is possible to create prin- ciples of insufficient strength at the rule-making level, and it is equally possible for a judge at the level of application to apply a principle in a way that gives it great power. A full analysis of any political principle must deal with the degree to which any insti- tution can protect that principle, and hence the problem of the strength of a principle is intertwined with the problem of design- ing institutions for the protection of political principles in general.

## Codetermination

### CBR PIC---2AC

#### 2. Enforcement: Only unions ensure it.

Fine 18 – Associate Professor at Rutgers University School of Management and Labor Relations and Research and Strategy Director at the Center for Innovation in Worker Organization.

Janice Fine, “New Approaches to Enforcing Labor Standards: How Co-enforcement Partnerships between Government and Civil Society Are Showing the Way Forward,” University of Chicago Legal Forum, Vol. 2017, No. 7, 2018, https://legal-forum.uchicago.edu/print-archive/new-approaches-enforcing-labor-standards-how-co-enforcement-partnerships-between

This research finds that workers, worker organizations, and regulators have capabilities that cannot be perfectly substituted for one another, or could perhaps be partially substitutable at great cost.30 Additionally as elaborated further below, some of the attributes of state and society are non-substitutable because of trust and power.

One must therefore ask: What capabilities do workers, worker organizations and states possess that the others either do not share or share only partially at great cost? Enforcement begins with workers on the “shop floor”: what they see, hear, and experience firsthand, and most critically, what they are willing to share, are instrumental to the ability of workers’ organizations and the state to identifying non-compliance with labor standards. Workers have unique capabilities to enhance enforcement because they are present at the worksite every day, have tacit knowledge31 of the work process and firsthand experience with changes in working conditions and employer practices over time. They also are steeped in the culture of the workplace and have relationships with other workers and supervisors. In the absence of “police patrol” enforcement, in which investigators would be regularly walking their workplace beats, if any actor is poised to engage in the “fire alarm” model of enforcement contemplated by the political scientists McCubbins and Schwartz in the context of congressional oversight, it is workers at the workplace.32

#### 3. Productivity: Unions uniquely boost it.

McDonnell 19 – Economic Researcher, M.Sc. Economics, Nevin Economic Research Institute

Thomas A. McDonnell, “Trade unions, collective bargaining and economic performance,” Nevin Economic Research Institute (NERI), Research inBrief No. 68, June 2019, https://www.nerinstitute.net/sites/default/files/research/neri\_research\_inbrief\_no\_68\_june\_19.pdf.

Trade unions can influence both the labour share and the productivity channels, to the benefit of workers. On one hand, unions increase the bargaining power of labour thereby enabling workers to negotiate a larger slice of the pie. At the same time, coordinated wage bargaining can impede cost competition strategies and encourage productivity enhancing measures, and in so doing push the economy towards a high wage and high productivity equilibrium.

Competitiveness is consistent either with a ‘high-road’ approach based on driving productivity, or a ‘low-road’ approach based on driving wages and other costs as low as possible. However, only the high-road approach is consistent with inclusive growth.

Nordic countries provide concrete examples of countries with high levels of collective bargaining alongside high levels of employment and high levels of productivity. These countries’ ‘highroad’ model shows that collective bargaining is consistent with high levels of productivity and strong economic performance.

Therefore, there need be no intrinsic tension between collective bargaining and economic efficiency. Alongside this, collective bargaining strength is positively associated with a higher labour share and with lower economic inequality.

Wage bargaining coverage and employment

Algan, Carlin, Bowles and Segal (2017)1 use OECD data to compare the unemployment rates and wage rates of a group of advanced economies over the period from 1970 to 2010. They find that some of the best performers, such as Norway, Finland, Sweden and Germany, have powerful unions. While this does not imply a causative relationship, it does at least suggest that collective bargaining is not a drag on economic performance.

#### 6. Administrability. Key to all of our internal links: cost, litigation, and monitoring/enforcement.

Corbett 24 – Endowed Professor of Law, LSU; peer-reviewed by several other labor law professors, incl. Estlund

William R. Corbett, Frank L. Maraist, Wex S. Malone & Rosemary Neal Hawkland Professor of Law, Paul M. Hebert Law Center of Louisiana State University, and reviewed by Profs. Cynthia Estlund, Matthew W. Finkin, Stewart J. Schwab, and Steven L. Willborn, “The Case for Waivable Employee Rights: A Contrarian View,” 72 Buff. L. Rev. 179 (2024), available at: https://digitalcommons.law.buffalo.edu/buffalolawreview/vol72/iss1/3

For such a system to accomplish those objectives to any appreciable extent, it is necessary to craft a proposal that includes constraints/conditions on waiver that can be administered efficiently and fairly at reasonable cost, depending, in large part, on self-compliance/enforcement. 310 Such a system would be unlike the approach applied under current U.S. law to noncompetes and mandatory arbitration/waivers of class and collective claims.311

### AT: Codetermination

### AT: FTT

## Antitrust

### Antitrust CP---2AC

#### Perm do both. Sheilds because it lets antitrust lead the way.

#### Perm do the CP. It strengthens CBR.

#### Other Issues Perm: do the plan and part of CP.

[text]

#### Antitrust enforcement fails AND kills certainty. It’s revokable and there’s no labor precedent.

Dimick 23 – Law Professor at the University at Buffalo School of Law, Ph.D in Sociology from the University of Wisconsin-Madison. J.D. from Cornell Law School.

Matthew Dimick, “Conflict of Laws? Tensions Between Antitrust and Labor Law,” 3/1/2023, The University of Chicago Law Review, https://lawreview.uchicago.edu/print-archive/conflict-laws-tensions-between-antitrust-and-labor-law

Finally, the Essay has addressed some more pressing conflicts between labor law and antitrust. Labor law and collective bargaining, especially when they work best (most efficiently and equitably), will organize the labor market in ways that directly contradict antitrust’s goal of promoting competition. Solidaristic wage policies, such as industry- or sector-level wage compression, often reduce competition by pushing high-cost, inefficient employers out of the marketplace. While the net effect is ultimately positive, it is hard to ignore this anticompetitive feature and its conflict with antitrust goals. In addition, I have argued that labor law is simply a more administrable means of regulation than antitrust law. Merger-review policy requires costly and uncertain guesswork about whether a proposed merger will raise or lower wages. Collective bargaining and minimum wage legislation simply guarantee, ex ante, that wages do not fall below a contractually or legislatively established standard. Finally, labor law and collective bargaining have benefits other than wage equity. Labor unions are important secondary, civic associations that promote the formation of “social capital,” solidarity, trust, and tolerance. While antitrust also addresses worries about wage inequality, it cannot confer the associational benefits that unions provide.

## States

### States CP---2AC

#### Perm do the CP. United state action is the federal government---anything else is arbitrary and ahistorical. Wrecks fairness.

US Congress 3 – Legislative Branch of the United States.  
United States Congress, Our American Government, 2003 Edition, https://www.govinfo.gov/content/pkg/CDOC-108hdoc94/pdf/CDOC-108hdoc94.pdf

The United States, under its Constitution, is a federal, representative, democratic republic, an indivisible union of 50 sovereign States. With the exception of town meetings, a form of pure democracy, we have at the local, state, and national levels a government which is: ‘‘federal’’ because power is shared among these three levels; ‘‘democratic’’ because the people govern themselves and have the means to control the government; and ‘‘republic’’ because the people choose elected delegates by free and secret ballot.

### Perm

### AT: Do the Plan---2AC

#### The CP gets preempted. States can’t contravene federal floors.

Wolf 22 – Public Administration and International Affairs Department, Maxwell School of Citizenship & Public Affairs, Syracuse University.

Douglas A. Wolf, Jennifer Karas Montez, and Shannon M. Monnat, “U.S. State Preemption Laws and Working-Age Mortality,” Am J Prev Med. 2022 Aug 29;63(5):681–688. https://pmc.ncbi.nlm.nih.gov/articles/PMC10164355/

Preemption laws, which constrain lower-level governments’ legislative powers, have long been used to harmonize federal, state, and local policymaking or to establish minimum thresholds.6 For instance, the federal government sets a national MW, thereby preempting state and local governments from implementing a lower MW. Many state governments have set a higher MW, thereby prohibiting local governments from enacting a wage below the state’s level. Although state preemption laws are not new, their spread and intent have recently changed.6 The use of preemption accelerated after 2010, whereas its reach expanded to cover new policy domains such as labor standards, public health, environmental protections, and land use.7 Moreover, state preemption has been increasingly used to define regulatory ceilings.6

#### Nor can they touch collective bargaining.

CLJE 22 – Harvard Law School’s hub for labor policy research and innovation. Executive Director, Sharon Block, is a professor at Harvard Law School with a J.D. from Georgetown.

Center for Labor and a Just Economy, “OVERCOMING FEDERAL PREEMPTION: How to Spur Innovation at the State and Local Level,” Clean Slate for Worker Power, 2022, https://clje.law.harvard.edu/app/uploads/2022/12/Clean-Slate-Overcoming-Federal-Preemption.pdf

Federal preemption of labor law rests on 50 years of judicially created doctrine, not on any statutory language in the NLRA or subsequent federal labor legislation nor on any discernible congressional intent.9 Despite the lack of statutory language on preemption, the judicially created jurisprudence is extensive. Indeed, “it would be difficult to find a regime of federal preemption broader than the one grounded in the NLRA.”10

The judiciary has created multiple federal preemption doctrines. Under the Garmon11 preemption, states may not regulate activity that the NLRA protects, prohibits, or arguably protects or prohibits.12 In Garmon, an employer obtained a state injunction against a union for picketing.13 Instead of simply holding that the injunction was invalid because it interfered with federally protected labor rights, the Court created a broad preemption doctrine that covers even arguably protected or prohibited conduct—necessarily more than conduct regulated by the NLRA.14 Since the 1947 Supreme Court decision, Garmon has been riddled with inconsistencies and exceptions.15

### AT: Tripartite Boards---2AC

#### AND state worker boards are preempted.

Fasman 25 – Lecturer, Michigan Law School; Adjunct Professor New York University School of Law.

Zachary C. Fasman, “What's Wrong with Sectoral Co-Regulation?” 38 A.B.A. J. Lab. & Emp. L. 405 (2025).

III. "Sectoral Co-Regulation"

Professor Estlund's thesis that state and local governments have the authority to "co-regulate" working conditions in "sectors" of the economy is premised upon a limited exception to federal preemption allowing states and cities to pass minimum wage/maximum hour laws. Those mandatory statutes, applicable to all businesses within the state or city, form the backdrop against which collective bargaining occurs. The Supreme Court set three preconditions for such laws to avoid federal preemption: "Minimum state labor standards affect union and nonunion employees equally, and neither encourage nor discourage the collective bargaining processes that are the subject of the NLRA. Nor do they have any but the most indirect effect on the right of selforganization established in the Act."23

This seemingly limited exemption from federal preemption has been misread to allow the New York City and California fast-food statutes, which supporters claim to be broadly applicable "minimum standards" legislation but that in fact pervasively regulate particular workplaces in the same fashion as the failed cartels of the NIRA. New York City's ordinance is not a uniform "minimum state labor standard" that allows private parties latitude to order their own affairs. It instead establishes mandatory detailed labor standards for fast-food stores throughout the City, not only precluding "improper" discharges but specifying the length of probationary periods for new workers; mandating that layoffs are acceptable only for "bona fide economic reasons" (defined specifically and narrowly in the law); specifying that seniority must apply in all layoffs or reductions in hours; creating a nonconsensual arbitration tribunal and specifying its rules; and determining exactly what employers must prove in a challenge to any termination or layoff.24 This is not merely a forbidden attempt "to influence the substantive terms of a private collective bargaining agreement"; 2 it sets those terms directly. And laws like those in New York City are now being considered and passed by state and local governments.26

The Second Circuit recently upheld the New York City law, concluding it was not preempted by federal labor law because "[i]t does not regulate the process of collective bargaining. Instead, the law provides 'specific minimum protections to individual workers . . . and is therefore 'not incompatible' with the 'general goals of the NLRA."' 27 That conclusion is simply wrong. The NLRA specifically states that the public policy of the United States is to encourage "the practice and procedure of collective bargaining,"28 and the very reason for the bargaining process is to allow private parties to shape and modify their own workplace solutions without government control. The bargaining process provides ground rules allowing the parties to govern themselves. If state and local governments have no authority to "influence" the substantive terms of collective bargaining agreements, as the Supreme Court stated in Lodge 76 Machinists, how can those same governments set those terms themselves? Concentrating on the bargaining process alone, without considering the underlying reason for that process, is not consistent with established law.

## Countercyclical

### Counter-Cyclical CP---2AC

#### Perm do the CP. It doesn’t compete functionally.

Richa Goel 19. Of Banasthali Vidyapith; Associate at ALC Law Firm in India. "Concept of Rights and Duties Under Jurisprudence". iPleaders. 6-19-2019. https://blog.ipleaders.in/concept-of-rights-and-duties-under-jurisprudence/

Introduction

The law protects the legal right of every citizen. By being a citizen of the country, the people are given the legal right. It is the duty of every individual to protect the rights of each individual.

Meaning

In general word, it means that the action which is permitted by the law is called legal right or the act which is recognized or protected by the state is called legal right. The definition is given by the number of jurists like Holland, Austin, Pollock.

According to Salmond:

A legal right is an “interest which is protected and recognized by the rule of law. It is an interest which has its duty and disregard of which is wrong”.

According to Gray:

A legal right is “that power which the man has, to make a person or persons to do or restrains from doing a certain act or acts so far as the power arises from society imposing a legal duty upon the person or persons. He states that the “right is not the interest itself, it is the means to enjoy the interest secured”.

In the case of State of Rajasthan vs Union of India[1], the Supreme Court stated that “Legal rights in the strict sense are correlatives of legal duties and legal rights are defined as the interests which the law protects by imposing duties on other persons. But the legal right in the strict sense means right is the immunity from the legal power of another. Immunity is no subjection at all”.

#### Anything else is arbitrary.

Allison, Hart, & Pratt 22 – Professors of Education, University of Saskatchewan

Derek S. Allison, B. Glen Hart, and Deani Van Pelt Pratt, “4.6 The Meaning of ‘Rights,’” in *Understanding Canadian Schools: An Introduction to Educational Administration* (6th ed.), University of Saskatchewan Open Press, 2022, https://www.saskoer.ca/understandingcanadianschools/chapter/4-6-the-meaning-of-rights/.

4.6The Meaning of “Rights”

Many educational issues are framed as questions of rights. We say that teachers have (or do not have, depending on our opinion) a right to voice their opinion about school policies. Parents have (or do not have) a right to see their child’s school records. Children have a right to be protected from harm. But what are rights? Where do they come from? These questions have been of interest to people for thousands of years. There is no agreement on the answers, but over that time some useful ways of thinking about rights have arisen. Rights can be classified as

normative and legal;

procedural and substantive;

negative and positive;

individual and collective; and

personal and property.

#### Other Issues Perm: do the plan and part of CP.

#### Counter-cyclicality fails. No one knows when to act due to poor data.

Arends 25 – MarketWatch Columnist

Brett Arends, “If the inflation data go Trump’s way, will you trust it?” MarketWatch, August 12, 2025, https://www.morningstar.com/news/marketwatch/2025081292/if-the-inflation-data-go-trumps-way-will-you-trust-it.

A cynic is tempted to make much the same response about the latest inflation figures.

Yes, they look better than expected. And they will make President Trump happy.

But it's also true that a mere 10 days after the head of the federal Bureau of Labor Statistics got fired for reporting numbers that the president didn't like, her remaining staff have reported numbers that the president ... er ... seems to like.

His temporary proxy heading to the Federal Reserve's board, Stephen Miran, said the consumer-price index released on Tuesday showed no evidence of inflation.

It's almost like a bunch of middle-class statisticians with mortgages and kids didn't want to lose their jobs, and be personally named and shamed before the MAGA army as an enemy of the American people.

Does this mean the latest monthly inflation data were cooked to fit the president's political agenda? Let's assume for the sake of argument that they haven't been. Let's assume, instead, that the BLS staff just got lucky.

But here's the Dorothy Parker-type question, only serious: How can you be sure?

Proof that the president is determined to assert direct, partisan political control of economic data came Monday night. Hours after he had ensured that the headlines would be dominated by his D.C. takeover, he disclosed his new nominee for commissioner of the Bureau of Labor Statistics. It was, as they say, a good day to bury bad news.

The nominee, E.J. Antoni, is an economist at the Heritage Foundation, the right-wing think tank that birthed "Project 2025." His appointment is even being derided by the professional economists at conservative-friendly Manhattan and Cato Institutes. On the other hand, Steve Bannon is a big fan.

At least President Trump didn't nominate Laura Loomer or Sean Hannity. Maybe he's waiting to nominate one of them for the Fed.

What does the crisis at the BLS mean?

The thing about statistics is that they are easy to manipulate. It was Benjamin Disraeli who first coined the joke about "lies, damned lies, and statistics," and the situation hasn't gotten much better since.

You don't believe me? Just look at the latest numbers.

What's the latest inflation number? Take your pick. The latest consumer-price index for all consumers is supposedly 2.7% if you take the national average, but 3.2% in the Northeast and 2.3% - nearly a full point lower - in the South. It's 4.0% in and around San Diego, and just 0.9% around Dallas-Fort Worth.

Food prices account for 14% of the official inflation calculations. What happened to your food prices last month? That didn't just depend on what you ate and where you live, but how much you ate out. According to the new BLS, food prices for people who ate at home fell 0.1% from June to July last month, while food prices for people who ate out rose by 0.3%.

Meat prices in the grocery store apparently rose 1% last month, or at an annualized rate of about 13%. But egg prices reportedly fell 3.9% in a month - which works out at an astonishing annualized rate of inflation of minus 38%.

"Give us this day our daily bread," goes the prayer. But what kind? White-bread prices apparently fell last month, by 0.1%. But all other bread rose by 1.2%

You can check out all these numbers here.

So what is inflation for a meat eater? What about a vegetarian who eats lots of eggs? What about a vegan? Who is the "average" consumer and what did they eat? And how do you account for sales and specials?

And that's nothing compared to the biggest problem: The official inflation costs for housing.

This, in total, accounts for as much as 44% of the government's inflation calculations. So any changes to the housing numbers would have a major effect on the overall inflation data. And the housing numbers are astonishingly easy to manipulate.

That's because nobody can really agree on what they are. Do you take new-home prices? New rents? Mortgage rates? And that's before you get into things like taxes, utilities and insurance.

The biggest part of the government's calculations by far - 26% of the total inflation data - comes from something called "owner's equivalent rent." The way they calculate this is that they ask homeowners to estimate - to guess, in other words - how much their home would cost to rent.

But this raises all sorts of issues. For example, who do you ask? How do they reach their estimates? How accurate are their estimates? And, maybe most importantly, how relevant are these estimates anyway?

For example, according to BLS data, "owner's equivalent rent" nationwide rose 6% during the COVID crisis, from February 2020 to February 2022. But during that time many rents collapsed, especially in cities, as landlords struggled to find tenants. And many or most homeowners also saw their homeownership costs plummet, as they refinanced their 30-year mortgages at epically low interest rates. During that period, the rate on long-term mortgages fell as low as 2.6%.

So you could argue the cost of homeownership, at least as it was reflected in the inflation figures, should have gone down, not up.

And, just to show that I like to annoy Democrats as well as Republicans, let me point out that, right now, these numbers may be grossly overestimating actual inflation. (In other words, Trump may well have a point.)

The latest inflation numbers say that average housing costs have risen 3.9% in the last year. And owner's equivalent rent has risen 4.2%.

Yet during the same period, Realtor.com reports that average starting rents fell by 2.5%. (Realtor.com is owned by News Corp, which also owns MarketWatch). Its latest data also show average listings prices have risen just 0.5%. And the Case-Shiller index of national U.S. home prices has risen, but only by 2.2% (through May). The average interest cost of a new 30-year mortgage has risen about 2.5%. (The latest average rate is 6.63%; a year ago, it was 6.47%.)

But the BLS says housing costs are up around 4%. Take your pick.

The main takeaway is that these data are ripe for all the conspiracy theories you want - left or right, democratic socialist or MAGA. The numbers are wide open to manipulation without anyone actually lying. All you'd have to do is change some of your assumptions.

If you wanted, say, to make the inflation numbers miraculously go down, it's easy. If you replaced owner's equivalent rent with, say, data from new rents, the CPI (at the moment) would plunge. Ditto if you assume people ate a little less beef and a little more pork: Beef is apparently up 11% in a year, while pork has risen just 1%.

The bottom line? Inflation data are easy to manipulate. After the shock firing of the commissioner of labor statistics, the new data have gone Trump's way. If they continue to do so, don't be surprised.

## Bankruptcy DA

### CP

### No Link

#### Bonds are stable.

Sarah **Limbach et al. 12/3**, Limbach is Primary Contact at S&P Global Paris; Barbara Castellano is Primary Contact at S&P Global Milan; Roberto H Sifon-arevalo is Primary Contact at S&P Global New York, "Refinancing Risk: What If The Wind Changes?" S&P Global Ratings, 12/03/2025, https://www.spglobal.com/ratings/en/regulatory/article/refinancing-risk-what-if-the-wind-changes-s101660722

Corporates are already adjusting to higher refinancing costs, but unexpected increases could pose challenges for companies at the lower end of the rating scale. Sovereigns appear more resilient to potential significant shocks in financial markets.

#### Bargaining is good for the economy.

Madland 21 – Senior Fellow and Strategic Director of the American Worker Project at the Center for American Progress, Ph.D. in Political Science and Government from Georgetown University.

David Madland, “Re-Union: How Bold Labor Reforms Can Repair, Revitalize, and Reunite the United States,” 5/15/2021, Cornell University Press, Ch. 2, pp. 41-71.

All of this means that in the real world there is plenty of opportunity for labor unions to raise wages and not hurt, and perhaps even help, economic growth. Which is why decades of research has shown that unions and collective bargaining do not lead to economic ruin. The research is very clear that unions raise wages and reduce inequality, but their effect on other economic outcomes such as productivity, economic growth, employment, and firm profitability depends heavily on the context, especially the response of management but also the specific firm, region, and time period under study.

The classic work on the economic impacts of unions was written in 1984 by Harvard economists Richard Freeman and James Medoff, and more than three decades of subsequent research has largely verified their findings.91 Freeman and Medoff explained that unions have “two faces.” In one, collective voice acts as an accountability check on management, helps workers’ preferences be accurately communicated to management, and ensures that gains from productivity are equally shared. The other, a monopoly face, can be used to “raise wages above competitive levels” and promote “restrictive work practices.” The collective face boosts productivity by “open[ing] an important communication channel between workers and management,” bringing out the best in workers and management to solve problems collaboratively that could not be solved by individuals working alone. The monopoly face, Freeman and Medoff argue, can produce uncompetitive pay and inefficiencies that “lower the productivity of labor and capital,” such as through “restrictions on tasks performed.”

#### Bond crash now.

Zeberg 1/10 – Head Macroeconomist at Swissblock, developer of the Zeberg Business Cycle Model and the Zeberg-Solomon Protocol, and founder of The Zeberg Letter.

Henrik Zeberg, “This indicator shows ‘recession is coming’, according to economist,” MEXC, 01/10/2026, https://www.mexc.com/news/447790

Economist Henrik Zeberg is warning that the U.S. economy is approaching a recession, pointing to a sharp deterioration in nonfarm payroll data and a historically reliable labor-market signal that has preceded every downturn since the 1970s.

Zeberg’s analysis centers on recent revisions to U.S. jobs data, which show a much weaker labor market than initially reported, signaling a recession may be on the horizon, according to his analysis shared in an X post on January 8.

Notably, October 2025 payrolls were revised down significantly, revealing a loss of 173,000 jobs instead of the previously reported 105,000 decline. November job growth was also revised lower, to 56,000 jobs.

These back-to-back downward revisions point to a clear slowdown in hiring momentum and highlight how headline figures initially masked underlying weakness.

More critically, Zeberg emphasized the behavior of the 12-month moving average (MA) of job creation. This measure smooths out monthly volatility and has historically fallen below a specific threshold at the onset of every U.S. recession since the 1970s.

According to his outlook, the moving average has now dropped below those recession-entry levels, despite today’s labor market being far larger than in past cycles. That breach is the core of Zeberg’s recession signal.

Disappointing job data

Notably, the latest December 2025 jobs report adds context to this warning rather than contradicting it. Employers added roughly 50,000 jobs during the month, avoiding an outright contraction but marking one of the weakest December readings outside a recession in decades.

When combined with the steep October job losses and softer November growth, the December figure reinforces the picture of a labor market that is losing momentum rather than stabilizing.

Indeed, Zeberg has been cautious on the economy for an extended period, warning that investors should anticipate a historic crash.

However, before such a crash materializes, several sectors, including stocks and cryptocurrencies, are likely to hit new record highs.

#### Bond indicator irrelevant.

Housel 17 – Partner at the Collaborative Fund, a VC firm.

Morgan Housel, “The Economy’s Performance vs. the Stock Market’s Outcomes,” *Betterment*, October 19, 2017, https://www.betterment.com/resources/personal-finance/goals-and-advice/economy-vs-stock-market/)

Today’s the 30th anniversary of the Crash of 1987. A common time for people to look at the stock market and wonder what comes next.

Here’s one of the strangest and most frustrating things about investing: What the economy is doing today tells you very little about what the stock market might do tomorrow.

Go back to January, 2010. President Obama summed up the state of the economy in his State of the Union Address:

One in 10 Americans still cannot find work. Many businesses have shuttered. Home values have declined. Small towns and rural communities have been hit especially hard. And for those who’d already known poverty, life’s become that much harder.

This wasn’t hyperbole. The economy was about as bad as it had been in 30 years. Investors witnessing the pain inflicted on businesses and consumers at this time could say, “The economy is a mess, so I don’t want to invest in the stock market.” I wouldn’t blame them. That makes rational, logical sense.

But the S&P 500 is up more than 200% since that speech. The market’s average annual return since 2010, at nearly than 13% per year, is about 40% higher than the long-term historic average. It was one of the best times to invest in modern history.

Now go back to January, 2000. President Clinton summed up the state of the economy in his State of the Union Address:

We begin the new century with over 20 million new jobs; the fastest economic growth in more than 30 years; the lowest unemployment rates in 30 years; the lowest poverty rates in 20 years; the lowest African-American and Hispanic unemployment rates on record; the first back-to-back surpluses in 42 years; and next month, America will achieve the longest period of economic growth in our entire history … My fellow Americans, the state of our Union is the strongest it has ever been.

This wasn’t hyperbole either. The economy was about the strongest it had ever been. Investors witnessing the strength of businesses and consumers at this time could say, “Everything’s going right. Now is the perfect time to invest.” I wouldn’t blame them. That makes rational, logical sense.

But three months after this speech the market peaked, and began one of the worst three-year periods in history. The S&P 500 fell nearly 40% by the end of 2002. It was one of the worst times to invest in modern history.

Researchers at the Vanguard Group once crunched historical numbers to show how economic numbers like GDP growth, interest rates, government debt, corporate profit margins, and earnings growth correlated with stock market returns over the following year and 10 years. The answer for virtually every metric was: They tell you almost nothing. There is a huge disconnect between economic performance and stock market outcomes.

“Many commonly cited signals have had very weak and erratic correlations with actual subsequent returns, even at long investment horizons,” the researcher wrote. Things like GDP growth and interest rates in one year had literally zero correlation to what the stock market might do over the following year. One Vanguard researcher with a sense of humor tested the correlation between nationwide rainfall and subsequent stock market returns. It was actually a better predictor of what the stock market will do next year than things like GDP growth, earnings growth, and analysts’ estimates of future economic growth.

The stock market is driven by a combination of companies earning profits and changes in investors’ moods about those profits. The latter is the most important driver, especially in the short run. When investors get optimistic they pay more for $1 of corporate earnings than they do when they’re pessimistic. And those mood changes often have no connection to what the economy is doing at the moment, for two reasons: One, moods are driven by hormones rather than data, persuaded by things like herd mentality and the fear of missing out [fomo]. Two, moods look ahead to the future, anticipating what might happen next year with little care about what’s happening now. That’s likely why stocks performed so well in 2010 when the economy was doing so poorly. Investors were looking ahead at what might happen to company profits in 2011 and beyond. And the apparently felt pretty good about it.