

Coalition Chronicle

Report to the National Industrial Base Workforce Coalition

Vol. 7, Issue 1

Winter 2003-2004



President George W. Bush and Secretary of Defense Donald H. Rumsfeld meet with members of the *National Industrial Base Workforce Coalition* after the signing of the Defense Authorization bill.

Coalition Members Attend Defense Bill Signing Ceremony;

President George W. Bush and Defense Secretary Donald H. Rumsfeld
Discuss War on Terror and Industrial Base Issues

Late in November, Department of Defense and White House officials invited leaders of the *National Industrial Base Workforce Coalition* to witness the November 24, 2003 signing by **President George W. Bush** of the FY04 Defense Authorization bill at a Pentagon ceremony. The union members invited to the ceremony represent aerospace, electronics, steel, shipbuilding and the maritime industries. The defense authorization bill focuses on the men and women in our armed forces as well as industrial base issues.

Earlier in the month, both the House and Sen-

ate gave final approval to the bill in a 362-40 vote and a 95-3 vote, respectively. The \$401.3 billion defense bill will fund a variety of programs important to *Coalition* unions including combat ships, fighters, bombers, helicopters, air lifters, refueling tankers and combat vehicles. The bill also initiates a modest effort to revitalize the U.S. defense industrial base.

Sitting in the second row of the Pentagon auditorium among top Department of Defense officials including acting **Under Secretary for**
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Defense Bill Signing Ceremony



Coalition leaders talked with Deputy Secretary of Defense Paul Wolfowitz (center) after the Pentagon signing ceremony.

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Acquisition, Technology and Logistics Michael Wynne and Comptroller and Chief Financial Officer Dov Zakheim, the union leaders listened as the President thanked our troops for “standing between our country and grave danger.” He also stated that “to win the war on terror, America must fully utilize the skills and talents of everyone who serves our country, and this bill will help us achieve that goal.”

Immediately following the signing ceremony, the President took the time to meet separately with *Coalition* leaders engaging them in a private conversation in which he expressed the need to “stay the course” through our various challenges.

Secretary of Defense Donald Rumsfeld and Deputy Secretary of Defense Paul Wolfowitz also spoke with the

union members and took time to pose for photographs. This was the first opportunity that the *Coalition* leaders had to speak one-on-one with Mr. Wolfowitz. He told the union members to feel free to contact him with any concerns in the future.

The members of the *Workforce Coalition* were honored to be asked to attend this event and appreciate the administration keeping an open door to the unions as Vice President Richard Cheney, White House Chief of Staff Andy Card and Secretary Rumsfeld promised to do at meetings reported in previous editions of the *Chronicle*.

The *Coalition* looks forward to continuing this working relationship in 2004 and to keeping the lines of communication open with whichever administration is in office after the November elections. ❖

Coalition Chronicle

National Industrial Base
Workforce Coalition

Representing American scientists, engineers, technical, professional, service and production workers in maritime, aerospace, defense, electronics, energy, telecommunications, transportation, pharmaceutical, and basic industries in both the public and private sectors.

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76 DoD Meeting

Union Leaders Meet with Deputy Under Secretary of Acquisition

Discussion on need to increase America's industrial base competitiveness in global economy

On March 27, 2003, members of the *National Industrial Base Workforce Coalition* traveled to Washington for a meeting at the Department of Defense with **Mr. Michael Wynne**, then-Deputy Under Secretary of Defense for Acquisition, Technology and Logistics. Mr. Wynne served as the principal deputy to Edward C. "Pete" Aldridge, Jr., the Under Secretary of Defense for Acquisition, Technology and Logistics. (Wynne is now acting Under Secretary since Pete Aldridge retired from the position.)

During the meeting at the Pentagon, *Coalition* leaders discussed a variety of acquisition issues that are important to unions throughout the defense industrial base. Mr. Wynne was responsive and very

happy to discuss these concerns with the workforce.

William "Chico" McGill, Business Manager for IBEW Local 733 in Pascagoula, Mississippi, asked about DoD's agenda for shipbuilding. McGill referred to the May 2002 meeting of *Coalition* members and Secretary Donald Rumsfeld (as reported in the *Winter 2002 Chronicle*) when the Secretary spoke about the military's need for the "next generation of ships." McGill stated, "Our unions are going to be building those ships. We hope that DoD is still committed to moving forward."

Mr. Wynne responded by saying that there is obviously only so much money to go around and that DoD has tough decisions to make

on where to put each dollar. However, he ensured McGill that Pentagon officials appreciate everything that the shipbuilders of America do for the country and will continue to push for the next generation of ships.

Another topic that Mr. Wynne focused on was the need for the U.S. defense industry to work towards earlier delivery dates and reduced costs, indicating that there was increased competition from our allies for defense products. Lower costs could result in more orders throughout the services. Mr. Wynne then offered an example of the kind of improvements DoD was seeking, noting the remarkable drop in cost and the improved quality coming

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Coalition members meet with then-Deputy Under Secretary of Defense for Acquisition Michael Wynne (back center) and DoD official Jerry Jones (far left).

DoD Meeting



(Top and Middle photo) Mr. Wynne greets *Coalition* members at the Pentagon meeting.
(Bottom photo) Mr. Wynne discusses procurement policy with union leaders.

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specifically from the Boeing Ridley Park facility producing the Chinook and V-22 Osprey.

Present at this meeting was UAW Local 1069 Vice President **Bob Bromley** of the Ridley facility who proudly told Wynne that the successes came from a new partnership between labor and management at that facility. Bromley explained that a meaningful Employee Involvement program had been enacted at the facility, and some 70,000 hours were then eliminated from the production process over the last year and a half. In the previous quarter alone, the workers at the facility reduced the hours by an additional 55,000. Mr. Wynne responded, "Now that's what we want to see and that should be the goal for all our programs." The Deputy Under Secretary told Bromley that he wanted to visit the Ridley facility to see for himself the systems that have been put into place to bring about this remarkable change.

Mr. Wynne's comments on the relationship between lowering costs and increasing sales were right on the money. UAW Local 1069 reaped the benefits from the cost savings they produced in the program. In December, the DoD awarded seven new-build Chinook S models and three additional Chinook G remanufactured aircraft for U.S. Army Special Operations. This new work is directly related to the bottom line improvements in the facility.

At the close of the meeting, Mr. Wynne took the time to pose for photos with the *Coalition* leaders. He spent time talking to each defense worker and thanked them for all they and the rest of their union members do for the country. ❖

767 Airlift Tankers

767 Airlift Tankers Decision on Hold

In 2003, Boeing won an \$18 billion dollar 100-plane lease order for 767 aerial refueling tankers from the U.S. Air Force. Air refueling capability is an extremely important part of the military's current operations around the world. The need for this critical capability was recently demonstrated in two Middle East wars and in Kosovo. Many of the current fleet of tankers are 40+ years old and require expensive maintenance. A shortfall in the Air Force budget made an immediate outright purchase impossible. Hence, the Air Force settled on a lease agreement that would speed up the process of delivery rather than waiting years for the Air Force cash flow to make an outright purchase.

While the contract was awaiting approval from Congress, some congressional critics argued that leasing all 100 planes was more expensive than purchasing them through normal acquisition procedures. Recognizing the importance of preserving America's industrial base and

the Air Force's urgent need for new tankers, the *Workforce Coalition* mobilized and urged Congress to immediately approve the lease of 100 of the 767 tankers. This program would employ American technical and production workers while at the same time improving U.S. market share and maintaining dominance in the aerial refueling tanker business.

While criticism of the lease agreement continued, a compromise was reached during negotiations on the FY04 Defense Authorization Act that satisfied all but a few critics. On November 26, 2003, President George W. Bush signed this legislation into law. It authorized the recommendation of the Senate Armed Services Committee to lease only 20 of the 767 tankers and to later procure the remaining 80 of the first 100-aircraft order. However, at press time, the Pentagon had put the program on hold pending a probe of possible ethics violations.

Coalition members understand the DoD's decision and hope the matter is settled quickly. If this program that is so vital to

our industrial base does not move forward, it will be a disaster for U.S. aerospace workers. Our elected officials must appreciate the national implications of our going forward with a U.S. tanker program. At stake are tens of thousands of U.S. aerospace, high-tech and production jobs, all of which contribute to our tax base.

Elsewhere in this *Chronicle* we cover the story of the U.K. decision to purchase European-made airlift tankers rather than U.S.-made tankers. The U.K. decision was clearly influenced by their desire to create and protect European aerospace jobs. Those jobs will generate billions of tax revenues for European governments who will reinvest them in still other projects to compete with America's market share of other products.

Further delay in approving the 767 tanker program threatens an industry that was once the crown jewel of American manufacturing. ❖

Looking Realistically at Upcoming Defense Budgets

During the first three years of the Bush Administration, the defense budget realized a 17% increase. If the President asks for a defense supplemental spending package as he has since the 9/11 terrorist attacks, the final budget numbers for FY04 will increase even more, resulting in additional work for military contractors and their workforces. However, the defense budget cannot sustain these high increases indefinitely.

Our country's \$500 billion deficit is a reality that will eventually have to be addressed, and many analysts are predicting that defense spending will decrease as a result. Lawmakers are being pressured to reign in spending across the board. Defense workers are concerned that future defense bills will be negatively

impacted as they were when the 1985 Gramm-Rudman-Hollings Act was implemented in an effort to end deficit spending. At that time, DoD took the biggest hit - not domestic entitlement programs.

While this mounting pressure to be more fiscally responsible will probably not impact defense spending in the FY05 budget deliberations, it will inevitably affect the Pentagon in the next few years. Moreover, R&D and procurement funds are most likely to be slashed first. Congress is ready to add billions in new entitlements for military personnel, including concurrent receipt of veterans' benefits and health care for reservists. The Pentagon is also calling for action to increase military end-strength by 30,000 troops. These quality of life changes are important and well supported by Americans, however they will

place a financial burden on the Defense Department. To keep up with these costs as well as the extensive maintenance and operations costs due to the military's high level of operations, it is the R&D and procurement programs that will most likely fall victim along with the workers who design and build our country's weapon systems.

The *National Industrial Base Workforce Coalition* will monitor the Defense Budget over the next year and continue to advocate the importance of R&D and procurement funding. Putting money towards defense R&D and procurement is the best way to invest in the future defense capabilities of our country as well as the industrial base of America. ❖

UK Aircraft Tanker Program

Britain's Aircraft Tanker Program Goes to EADS

Time for U.S. to Weigh Employment in Awarding Contracts?

Early in January 2004, the Reuters and Forbes news services reported that The Boeing Company, "which lost its commercial jets crown to European rival Airbus" this year also "risks its near monopoly in military refueling planes." Boeing has said the worldwide tanker market could be worth \$100 billion over the next 30 years. Britain had put out a contract for aircraft tankers to be competed between Airbus parent EADS and The Boeing Company. This contract would be Europe's biggest tanker deal.

Analysts argued that if Boeing won the competition, it would freeze EADS out of a global air tanker market that is the key to EADS' drive to boost defense revenues. Britain has Europe's largest tanker fleet and worked with U.S. forces in the war operations in Iraq and Afghanistan.

Some UK-based analysts believed that the consortium led by EADS that includes Britain's Rolls-Royce and Cobham and France's Thales was likely to win as the **U.K. government weighs capability, cost and jobs.** On January 23, this statement was again confirmed when the *Seattle Post Intelligencer* reported that "**Jobs in the United Kingdom have become an issue, as well as which bid would be the better deal for the Royal Air Force and U.K. taxpayers. Under the British government's defense industrial policy, officials weigh the consequences for U.K. employment when awarding contracts.**"

And so it was no surprise when on January 26, Reuters' headlines rang out with the news that Britain had dropped Boeing and instead se-

lected the consortium led by EADS for further talks. "The MoD will now enter into detailed negotiations with [EADS'] AirTanker," the Ministry of Defence said in a statement, adding the talks could take months." This contract is reportedly valued at \$23.75 billion dollars and would involve new or a mix of new and used Airbus A330 aircraft for in-flight refueling of Royal Air Force jets from 2008 for 27 years.

Workforce leaders in the *National Industrial Base Workforce Coalition* are disappointed that the U. S. Department of Defense officials do not have a "defense industrial policy" whereby they too "weigh the consequences" for U.S. employment when awarding contracts. The U.S. Congress should take notice of the matter in which the U.K. award was made: to create and provide jobs for European aerospace workers.

Workforce Coalition leaders believe that U.S. officials must now take a stand. For decades, American government and industry leaders have sat on the sidelines allowing our country to lose most of our heavy manufacturing industries as well as our commercial aircraft market to other countries. Now we are threatened with losing our military market of core capability in producing tankers. All of this has been going on while U.S. officials sit by and watch other countries award their contracts based on government policies that consider employment of their citizens. Isn't it time for the United States to do the same?

On January 16, the Bush administration released a report entitled

"*Manufacturing in America,*" on ways to improve the struggling U.S. manufacturing sector. The report recommends establishing a President's Manufacturing Council to coordinate government manufacturing policies. *Workforce Coalition* leaders challenged the administration to include on this council representatives from diverse local unions affected by the industrial policies of other governments who award contracts based on employment in their own countries.

On November 24, 2003, President Bush signed the FY04 Defense Authorization Bill, which among other things called for a study by the DoD of how many contracts the DoD has with overseas manufacturers as well as the manner in which the contracts were awarded. Information provided in the report will include how many contracts were sole source and how many were full and openly competed in the previous year. While this study will provide the DoD with information from a national security point of view (protecting the U.S. industrial base from being held hostage to overseas sources during time of war), it will not necessarily protect the U.S. industrial base employment levels when awarding contracts. However, the industrial base provisions of the FY04 defense authorization bill are steps in the right direction. *Workforce Coalition* leaders are hopeful that members of the *National Industrial Base Workforce Coalition* will be allowed to testify before the DoD officials in charge of this study as well as before those congressional committees with oversight on this subject. ❖

Saving Pharmacies

Coalition Remains Active in PBM Debate Surrounding Prescription Drug Plan

In 2003, the U. S. Congress passed landmark legislation that reforms Medicare and adds a prescription drug benefit for senior citizens. It is too early to know whether this drug benefit will deliver the savings promised once the legislation is put into practice in 2005. The *Workforce Coalition* remains optimistic and promises to continue monitoring the drug benefit as it is of great importance to union members and their families. The *Coalition* has been active in this debate since 2001 and remained active until the bill finally passed the House and Senate in 2003.

As reported in the previous two issues of the *Chronicle*, members of the *Coalition* firmly believe that the price of life-saving drugs is too high; senior citizens and union retirees need help in paying for these high costs. Moreover, seniors should be able to use discounts at their local pharmacy where they have an established, trusted rela-

tionship with their druggist. Additionally, while some seniors may choose to use mail order to fill their prescriptions, *Coalition* members have always maintained that a federal system should not force or coerce anyone into using mail order.

As we have explained in the past both to congressional members and in the *Chronicle*, the four or five largest Pharmacy Benefit Managers (PBMs) own most of the mail order drug service in this country. If they effectively force seniors to use mail order, the economic viability of pharmacies that serve our communities could be undermined. This was the argument that unions were making on Capitol Hill during 2001 and 2002 when *Coalition* members wrote, called and visited their congressional leaders addressing concerns about PBMs. The *Coalition* leaders were astounded at the number of congressional members and staff who seemed unaware and uninformed about how

proposed legislation would hand over control to these HMO-style middlemen.

Early in 2003, *Coalition* members' distrust of PBMs was sparked further when on March 18 the **American Federation of State, County & Municipal Employees (AFCMSE)** filed a lawsuit against the four leading PBMs. The suit alleges that the PBMs engage in "unfair and deceptive acts and practices that do not benefit employers and/or consumers but instead line the pockets of the PBMs and increase health costs." In other words, the PBMs allegedly negotiate rebates with the pharmaceutical companies but do NOT disclose those rebates. Instead, the PBMs pocket the rebates rather than pass the savings on to the consumer. The PBMs also get to keep more of the rebate if the prescription is filled by their mail order service and not by the patient's local pharmacy.

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Members of the *Workforce Coalition* meet with Tommy Thompson, Secretary of Health and Human Services.

Saving Pharmacies



Coalition Regional Coordinator Joseph 'Slugs' Smarella hands workforce testimony on the prescription drug coverage debate to Secretary Thompson.

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Members of the *Coalition* were distraught - how could the government be considering turning over Medicare drug coverage to PBMs that are charged with actually inflating drug costs? *Coalition* leaders could not let these disturbing allegations go unanswered and decided to look for answers at the Department of Health and Human Services.

Late in March, *Coalition* leaders met with **Health and Human Services Secretary Tommy Thompson** to discuss the administration's plan to enact a PBM-based system for prescription drug coverage. The Secretary and three of his staff members met with ten union leaders, who explained the *Coalition's* concerns over the AFSCME lawsuit. Secretary Thompson was disturbed by the news of the lawsuit of which he claimed he was unaware. The Secretary appeared sincere when he said he was not enamored by the PBM approach. Noting that he wanted continuous dialogue and input from the unions, the Secretary instructed his senior policy advisors to work with the union members to address their concerns.

Matt Biggs, Legislative Director of the International Federation of

Professional & Technical Employees (IFPTE), attended a follow-up meeting with Thompson's staff as a representative of the *Coalition*. Biggs reported that the HHS staffers were much more cordial than at the previous meeting and insisted that they wanted to keep this dialogue going; however, they also told Biggs that there was no other way to organize a prescription drug benefit without using PBMs. They also stated that HHS no longer had any major decision-making authority on this issue and that it was now up to Congress to determine the details of the prescription drug plan.

Coalition leaders then turned their focus back to the House and Senate. Congressional testimony was written and delivered to each member of the three committees responsible for Medicare: House Ways and Means, House Energy and Commerce and Senate Finance. The workforce testimony reiterated the stance of the unions in the *Coalition* that the federal government is about to make an enormous investment in providing prescription drug assistance to our nation's seniors with the assistance of PBMs, which have not demonstrated the kind of transparency expected in the 21st century. The testimony addressed the issue of corporate scandals that have cheated in-

vestors, stockholders and citizens of hundreds of millions of dollars, and that in this climate Congress cannot afford to structure a Medicare benefit that will be managed by a few large corporations. The *Coalition* members' testimony asked the Members of Congress to not move forward with any PBM-based legislation until all the questions about PBM practices have been answered.

As *Coalition* members distributed testimony on the Hill, the media reported that the Congress wanted to move on a prescription drug benefit quickly and have it on the President's desk by July 4th. The *Coalition* thus began an intense letter-writing campaign to congressional members of those committees with jurisdiction as well as other influential leaders in Congress to follow on the heels of the testimony. During May and June, union leaders from over 20 states wrote letters and made follow-up phone calls to over 50 members of the House and Senate. Initial reports confirmed what the HHS staff had asserted — that PBMs had to be part of whatever system would manage the federal prescription drug program. Willing to entertain a compromise with the lawmakers, the *Coalition* decided to slightly change the demands made to Congress.

Workforce members began telling Congress that if there was no other way to go than the PBM route, Congress should, at the very least, guarantee transparency and set up a system to monitor the PBMs' activities and actions. A few members in the House and Senate finally realized that this transparency issue was of major importance and began echoing the *Coalition's* concerns.

On the House side, GOP leaders included strong transparency language in their version of the bill, H.R. 1. On the Senate side, only minor transpar-

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Saving Pharmacies



Secretary Thompson explains the position of HHS on PBMs to *Coalition* members Greg Junemann, President of IFPTE and Bob Bromley, Vice President of UAW Local 1069.

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ency language was initially included in S. 1. Finally, on June 26th - the day before the bill actually passed - **Senator Maria Cantwell**, friend of the *Coalition* and Democratic Senator from Washington State, offered the *Prescription Drug Transparency* amendment to the legislation. The amendment, co-sponsored by **Senator Blanche Lambert Lincoln** (D-AR), requires that any PBM contracting with Medicare has to disclose to the Department of Justice how much of the rebates negotiated for Medicare are being passed back.

Cantwell submitted to the Congressional Record letters that concerned Washington State citizens had written to her about the practices of PBMs. These letters prompted her to draft this important amendment. Included among those letters, now in the permanent Congressional Record, was one written by *Coalition* leader, **Charles H. Bofferding**,

Executive Director of SPEEA, whose members are constituents of Cantwell. In response to these letters, Cantwell told her colleagues on the Senate floor "by requiring transparency, the Cantwell-Lincoln amendment works to prevent collusion on pricing and helps ensure seniors are not paying unnecessary high prices for their medications."

In the early morning hours of June 27, both the House and Senate passed their versions of the bill. This was an astounding feat that Medicare legislation had finally been passed in both chambers. But the summer would bring major partisan bickering over the details of each plan as the Conference Committee sought to mesh them together.

Five months later a Conference Report was in hand, and on Monday, December 8, **President George W. Bush** signed the Medicare legislation into law - making it the largest expansion of a federal entitlement program

in decades and the most significant change to Medicare since its enactment in 1965.

The Medicare legislation is predicted to cost \$400 billion over ten years. The new law will add a prescription drug benefit to Medicare in 2006 for senior citizens while encouraging insurance companies to offer private health plans to those now in the federal program. Before the full benefit takes effect in 2006, a prescription discount card will be available for all Medicare seniors to purchase, with extra subsidies for very low-income seniors. The President is very proud that supporters of this legislation came from both the Republicans and Democrats who kept their promise to pass prescription drug coverage this year. The passage of this legislation, however, was in no way unanimous, and many in both political parties are prepared to make this an issue in the 2004 elections. ❖

Buy America

“Buy America” - Right Idea, Wrong Approach

In the summer of 2003, *Workforce Coalition* leaders learned that wide-sweeping “Buy America” legislation was attached to the House FY04 Defense Authorization Bill, H.R. 1588, that was entering conference deliberations. More limited “Buy America” laws, already on the books, prevent foreigners from competing to make certain products for the U.S. military. The language added to H.R. 1588 by **Representative Duncan Hunter** (R-CA), Chairman of the House Armed Services Committee, would have greatly expanded these restrictions, so much so that no foreign products or materials - no matter how small - could be used in the manufacturing of U. S. defense systems. Hunter’s legislation was in direct response to the Pentagon’s proposal earlier in the year to repeal already standing “Buy America” statutes on the grounds that they restrict choices and increase costs to the Department of Defense. DoD estimated they could save billions of dollars if they did not have to comply with “Buy America” restrictions.

Unions in the *National Industrial Base Workforce Coalition* were pleased that members of the House Armed Services Committee finally took a courageous stand to preserve America’s manufacturing industrial base. As hundreds of thousands of workers have lost their jobs in our country’s manufacturing sector, union leaders have been alarmed that our national security has been weakened concurrent with the loss of American manufacturing jobs.

Chairman Duncan Hunter (R-CA) took the initiative to reverse the disastrous trend that is occurring in American industry. In these unsure and dangerous times, it is essential

to our nation’s security that America has the capability to provide the products and components for her own Armed Services.

As industry continues to disappear from our shores, it will become more difficult to provide for our own defense. This is even more important in a post Cold War era when our European allies are no longer threatened by a Soviet enemy. We have already seen a realignment of allies who opposed our entry into Iraq. Whether motivated by economic, philosophical, religious or sociopolitical differences with the U.S., this realignment of European allies will affect our national security.

In a world where U.S industry has become global, has our national security become hostage to individual “allies”? What happens when an ally who supplies component parts critical to a U.S defense system disagrees with the U.S. on a military action and withholds those components in time of war? This is what occurred during the Iraq war when a Swiss company supplying a crystal used in the JDAM guidance system held up delivery of this critical component waiting for approval from their government, which opposed our policies in Iraq. In this instance, the U.S. JDAM prime manufacturer was forced to buy the parts from an American supplier. Luckily, we were able to get them in time to support our troops already engaged in combat.

Our national security requires industrial independence not only in the manufacturing of large weaponry such as tanks and planes, but also in the manufacturing of small critical components. For all these reasons, the *Workforce Coalition* stands strongly behind the long-term

goals that H.R. 1588 envisioned, believing that America will not be able to sustain its position in the world if our industrial base is undermined through the procurement of military equipment from foreign countries.

That said, however, the wide scope of the “Buy America” provisions as originally proposed would have some unintended consequences. The legislation attempted to accomplish too much too fast. While *Coalition* members were reluctant to ask the conferees to back down from their positions, they also recognized the importance of incremental changes. Immediate implementation of “Buy America” legislation would undoubtedly cause collateral damage.

If enacted, this legislation would have brought virtually every defense production line to a halt by the requirement to manufacture defense products with only American-made machine tools. Ultimately, the bill was stuck in Conference because of the disagreement over the “Buy America” provisions. The consequences were so great that the President was urged to veto the entire defense bill. Therefore, union leaders in the *Workforce Coalition* wrote and spoke with congressional leaders as well as officials in the DoD asking them to compromise and take a more incremental approach. By slowing down the process and accepting input from labor leaders in the defense industry, lawmakers would still be able to obtain both the spirit and goals of the “Buy America” legislation without causing havoc on current production lines.

The impasse over “Buy America” and the threat of a presidential veto of the entire defense bill
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Buy America

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was averted. Congress decided it was in the best interest of America's industrial base and national security to hold off on the wide-sweeping "Buy America" provisions. The Pentagon in turn promised to carry out studies to assess its industrial base and determine exactly how many contracts the DoD has with overseas manufacturers as well as the manner in which the contracts were awarded.

On November 24, 2003, President Bush signed the Defense Authorization bill -minus the Buy America language - into law. The collisions between the House, Senate, DoD and the White House will, however, surface again in 2004.

Over the last three months of 2003, *Workforce Coalition* leaders spoke with the leadership of the Senate and House Armed Services Com-

mittees, as well as the DoD officials involved in the "Buy America" stalemate. All will convene early in 2004 to structure a "Buy America" approach that will meet the requirements for a robust industrial base while meeting the needs for national security. However, everyone recognizes the need to step back from the emotionally charged language of "Buy America," which carries with it an unrealistic expectation of an immediate reversal in the loss of jobs and a migration of those jobs back to the United States. That will not happen over night.

Workforce allies at DoD have been structuring an approach they call "Invest in America." It will focus on innovative ways to rebuild America's infrastructure including our machine tool industry. It will focus on providing funds to improve America's competitive edge.

A study group consisting of House, Senate, DoD and the White House is being convened, and *Coalition* leaders have been asked to participate. This effort has not gone unnoticed elsewhere in the federal government.

Senior officials at the Department of Commerce have expressed an interest in the "Invest in America" strategy and seek workforce input to explore this concept at DoC. If successful, "Invest in America" could be the beginning of a realistic effort to rebuild America's manufacturing sector. We will keep you informed as to the structure and deliberation of the study group and the degree of our participation.

The *National Industrial Base Workforce Coalition* is committed to working towards creating and sustaining a strong and healthy American industrial base. ❖

Manufacturing in America

As many in America's industrial base know, the weakened economy has hit the manufacturing sector of the country particularly hard. According to the Commerce Department, the 2.6 million jobs lost in manufacturing account for all the net job losses from the fourth quarter of 2000 to the third quarter of 2003. The administration has realized that American manufacturers provide good jobs for our people and reinforce our role in the world. Thus, strengthening our country's manufacturing base is a top priority for the President. In March 2003, Secretary of Commerce Donald Evans announced the *Manufacturing Initiative* to reach this goal.

The *Manufacturing Initiative*

began with a comprehensive review of our manufacturing sector including input from American manufacturers themselves. In January 2004, the results of this study were released along with a series of recommendations aimed at "unleashing the full potential of American manufacturers."

The *National Industrial Base Workforce Coalition* applauds the administration's efforts to address this devastating trend going on in America. However, a study is not enough. *Coalition* leaders will monitor the situation closely in 2004 to ensure that the administration does everything it can to foster a healthy manufacturing sector that is the key to good jobs and a higher standard of living for all Americans.

The Future of NASA and the President's New Space Exploration Program

Our country and the U.S. space program experienced a tragic day on February 1, 2003. Upon re-entry from a research mission, the Space Shuttle *Columbia* disintegrated above eastern Texas resulting in the loss of the entire crew. The *National Industrial Base Workforce Coalition* honors the crew and extends our sincere condolences to their families.

The three remaining shuttles were grounded while the Columbia Accident Investigation Board (CAIB) determined the cause of the accident. The CAIB's concluded that the disaster was caused by a chunk of foam insulation that flew off the external tank during launch, punching a hole in the heat shield of the left wing.

Before any orbiter can fly again, it must meet safety rules set by the CAIB. Based on the CAIB conclusions, NASA released a "return-to-flight" plan. Engineers are working on new technologies to prevent a similar accident in the future. NASA wants to find ways to minimize debris shedding and to further harden the shuttle's exterior, while also increasing the monitoring of shuttles for any sign of trouble whether on the ground or in orbit. These post-accident conditions change the way the shuttle and the International Space Station (ISS) will interact in the future. The ISS will no longer primarily be a science lab; it will instead serve as a shuttle repair station and a "safe haven" for the crew of a damaged shuttle. Moreover, once shuttle flights do resume, the new safety rules will translate into a dramatic reduction - by more than 50 percent - in opportunities to launch a shuttle.

The grounding of the shuttle fleet has left NASA dependent on the

Russian-built *Progress* and *Soyuz* vehicles. Thus, ISS assembly is on hold as only the U. S. space shuttle can carry the large payloads needed to continue the project. Supplies aboard the station can sustain the two-member crew until April 2004, leaving a bit of flexibility for the cash-strapped Russians to delay a *Progress* re-supply mission until early 2004. As the station marked its fifth year in orbit, the two crewmembers were devoting 12 - 15 hours a week to U. S. science work and modifying hardware on board to use in place of gear awaiting launch. However, ISS assembly will resume once the shuttle makes its return to flight, scheduled for the fall of 2004.

In January 2004, President George W. Bush announced a new vision for the nation's Space Exploration Program (*SEE related story elsewhere in this Chronicle*). The fundamental goal of the President's plan is to advance U.S. scientific, security, and economic interests through a robust space exploration program. The President said that his vision was a "journey, not a race" and called on "other nations to join us on this journey, in a spirit of cooperation and friendship." He released the following agenda during his announcement:

- Complete the International Space Station by 2010 and focus its research on the long-term effects of space travel on human biology and develop the skills and techniques necessary for humans to venture through space for months at a time during further space exploration.
- Return the Space Shuttle to flight as soon as possible, following the recommendations of the *Colum-*

bia Accident Investigation Board. Once the assembly of the Space Station is finished, the Space Shuttle will be retired from service in 2010, after nearly 30 years of duty.

- Develop and test a new manned spacecraft, the Crew Exploration Vehicle, by 2008, and conduct its first manned mission no later than 2014. The Crew Rescue Vehicle will be capable of ferrying astronauts and scientists to the Space Station after the shuttle is retired, but more importantly, will be able to carry astronauts beyond low Earth orbit to other worlds.
- Return to the moon by 2020 with the intent of using it as the future launching point for missions beyond. Beginning no later than 2008, a series of robotic missions to the lunar surface will provide research and prepare for future human exploration. As early as 2015, the Crew Exploration Vehicle will undertake extended human missions to the moon with the goal of living and working there for increasingly extended periods.
- Increase the use of robotic exploration to maximize our understanding of the solar system and pave the way for more ambitious manned missions. Probes, landers, and similar unmanned vehicles will serve as trailblazers and send vast amounts of knowledge back to scientists on Earth.

Achieving these goals requires a long-term commitment. NASA's current five-year budget is \$86 billion. Most of the funding needed for the new endeavors will come from reallocating \$11 billion within NASA's budget. However, some new re-

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Presidential Space Initiative

Editorial - In support of the Presidential Space Initiative

The announcement of a new space initiative by President George W. Bush is the boldest step for manned space flight in more than a decade. It comes at an opportune time, since we are moving toward completion of the Space Station and a general winding-down of the manned program. Members of the *National Industrial Base Workforce Coalition* (NIBWC) are excited about the President's initiative because it will revive the nation's interest in space exploration, reinvigorate interest in science and engineering and create a new generation of launch vehicles and related high-tech equipment needed for people to live and work in space.

The President's initiative is of particular significance to the NIBWC because the *Workforce Coalition* was created when member unions united to save the manned space program following the loss of the *Challenger* space shuttle in 1986. After the *Challenger* exploded, critics complained that not only was the money spent on NASA wasteful but that manned missions were too dangerous. When opponents called for an end to manned space flight altogether, unions from around the country and from various industries banded together to save the manned program.

Unions representing the entire spectrum of the American workforce, from scientists and engineers to production workers, wrote, called, and visited members of Congress and the White House in defense of NASA. The union leaders achieved a major objective; the outpouring of support for the space program by tying in its relationship to education, careers in science and engineering, and manufacturing sector job creation. This support resulted in the Reagan Administration's replacing the lost orbiter and continuing with plans for a

NASA Space Station.

The *Coalition* then shifted its attention to the public policy debate on the question of building the space station. Again, the unions lobbied the Congress and the White House, successfully making the case to the Reagan Administration that *Space Station Freedom* should go forward.

Not only did the unions help save the manned space program, but in doing so they gained new expertise in the legislative process. They learned that unions from the entire industrial base could work together and ultimately affect public policy. A formal working group was created that included regional union leaders such as Len Ricks, Harold Ammond, Jim Pierre, Ed Olson, Gladys Green and Cassell Williams. They came from different companies, industries and unions. They helped shape what became the *National Industrial Base Workforce Coalition*.

The *Workforce Coalition* earned a reputation for dealing with complex public policy issues. They worked closely with then-Vice President Dan Quayle who chaired the National Space Council. They were invited to testify before the Augustine Commission, on the future of NASA, and they worked with then-NASA Administrator Daniel Goldin on creating a Russian partnership for the International Space Station. The *Coalition* was called upon throughout the Clinton years to help maintain the Russian partnership and defend continued use of the Russian station during a flurry of disasters, which included on-board electrical fires as well as a collision with an orbiter. Through it all the *Workforce Coalition* was there.

Prior to his departure as NASA Administrator, Dan Goldin thanked the *Coalition* members for their contribution to American space programs

saying that "the lights were going to be put out on the manned space program" and that the *Workforce Coalition* was "crucial" in maintaining a robust NASA space program.

The *Workforce Coalition* strongly supports the President's new vision for the manned space program. However, to realize this vision we must overcome the same obstacles we faced years ago, namely, fighting for adequate funding while defusing the arguments from critics who believe that space exploration should be left to robots.

Competing with other federal agencies for NASA funding has always been a major task. NASA still remains under the jurisdiction of the House and Senate Appropriations Subcommittees on Veterans Affairs and Housing and Urban Development, and Independent Agencies. Hence, the new NASA agenda will be in competition with a variety of domestic entitlement programs. Unions in the *Coalition* obviously support funding for programs such as Social Security, Medicare, etc. but at the same time recognize that future investments in science and engineering will create manufacturing jobs.

Obtaining funding will also involve educating some union members who do not recognize the potential for job creation in the President's space initiative. For example, at a recent Presidential election rally a union protestor held a sign reading "Jobs on U.S. Soil, Not on Mars." The case has to be made that a new space initiative will create hundreds of thousands of direct and indirect jobs in the U. S.

Union leaders will also have to combat criticism from some in the academic community who will oppose the program. Within twenty-four hours of the President's announce-

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sources will be needed. President Bush said he would call upon Congress to increase NASA's budget by roughly \$1 billion dollars, spread out over the next five years. The President has also asked NASA Administrator Sean O'Keefe to review all of NASA's current activities and direct those toward the goals now outlined.

The President also formed a Commission on the Implementation of the U.S. Space Exploration Policy to advise NASA on the long-term implementation of the presidential vision. The President named former Secretary of the Air Force and former Under Secretary of Defense, Pete Aldridge, to chair the commission, which will be made up of private and public sector experts and will report to the President within four months of its first meeting.

Members of the *Workforce Coalition* look forward to the advancement of NASA's new agenda in 2004. ❖

Source: *Whitehouse.gov*

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ment of the new initiative, Robert Park, a physics professor at the University of Maryland and director of a society of American physicists argued that there was no need to go to Mars, because we were already there. Park and his organization opposed the Space Shuttle, the Space Station, and virtually every component of the manned program.

We will have to make the case to the Congress, to the general public, and to other unions in the basic industries that everyone has benefited from NASA programs. There is no question that we as a nation enjoy the technology of a modern age because of the space program. Everything from cell phones to MRI scanners has been developed as a result of the U.S. manned

Books and DVDs of Interest Released in 2003



- *Virtual Apollo: A Pictorial Essay of the Engineering and Construction of the Apollo Command and Service Modules* by Scott P. Sullivan: Become acquainted with the Apollo spacecraft in detail and learn the story of the design and construction of this very intricate machine, which consists of over 3 million components.
- *Air Force One: The Aircraft That Shaped the Modern Presidency* by Von Hardesty: This book by the curator of the National Air and Space Museum tells the story of Air Force One — the planes, the Presidents, their staff and their many trips across the nation and the world.
- *The Century of Warfare*: This History Channel special first aired in 1993 but was released on DVD in 2003 and consists of 26 episodes on 7 discs. The series explores the pivotal battles and commanders that have shaped the modern world.
- *Victory at Sea*: This award-winning, 26-episode World War II documentary was made in 1952 and just released on DVD in 2003. Produced with the full cooperation of the U.S. Navy, each 26-minute program consists of black-and-white wartime film and offers a unique opportunity to see a series of great importance from the very early days of television.

space program. It is impossible in this brief space to list the countless number of advancements in science, medicine and high-tech equipment that grew out of the American manned space program. One need only visit an intensive care unit at your local hospital to see the miracles created by our resolve to explore the unknown. In short, the President's vision does not look back; it looks forward into the 21st Century and beyond.

The President has given NASA and the nation a challenge, similar to the one President Kennedy gave the nation in the early 1960s. Kennedy's challenge to go to the Moon was the catalyst for an entire curriculum in science and engineering, which spawned a whole generation of engineers and

scientists who created the scientific advancements we all take for granted. That generation of expertise is now retiring. The founders of the *National Industrial Base Workforce Coalition* cited in this article have also retired. There is a need now to begin the process of educating and inspiring the next generation of scientists and engineers while we still have some momentum in what is left of the manned space program.

The public policy debate has begun. The *National Industrial Base Workforce Coalition* has been there before and will be there in the future to support the manned space program and the creation of the new careers and new jobs of tomorrow. ❖

Member Spotlight

Chico McGill Puts Health and Safety First



William "Chico" McGill

The *National Industrial Base Workforce Coalition* proudly honors William "Chico" McGill in this issue of the *Chronicle*. Chico has served as the **Business Manager/Financial Secretary, International Brotherhood of Electrical Workers Local 733** since 1997. Local 733 represents workers in Mississippi and Louisiana who are employed by Northrop Grumman Ship Systems at their Ingalls and Avondale Shipyards. Under Chico's leadership, Local 733 has expanded to also represent city workers in Moss Point, Mississippi as well as Police Officers in Moss Point and Gautier.

Chico has been an active member of the *Workforce Coalition* for almost five years and is committed to supporting the U. S. industrial base. When the *Coalition* expanded its membership to include unions from American shipyards as reported in the Winter 2000 issue of the *Chronicle*, *Coalition* leaders knew they had found a great friend and asset in Chico McGill. Chico

has since participated in several major mobilizations on issues of importance to shipbuilding workforces as well as to other industries. As part of his efforts both for Local 733 members and as a member of the *Coalition*, he has attended meetings with various cabinet members including Secretary of Defense Donald H. Rumsfeld, as well as many meetings with Members of the U.S. House and Senate.

Though originally from St. Mary's County in Southern Maryland, Chico settled in Mississippi and began work at Ingalls as an electrician after being discharged from the Marine Corps in November 1974.

Before being elected to his current position in Local 733, Chico twice served as the Assistant Business Manager for a total of 11 years. Throughout his career, Chico has maintained an emphasis on safety and health, believ-

ing this focus to be of enormous importance to everyone involved. "Management, workers, unions and OSHA all work together towards one common interest...that is to see that everyone goes home safely to their families just as they came to work."

Chico has served on many committees and organizations in various positions to ensure the safety of his union members, the safety of the ships they are manufacturing, and the quality of the health care options that his members have available to them. He is a member of the National Safety Council, a non-profit public service organization, where he holds the position of Secretary of its Labor Division. Since 1995,

Chico has also been a member of the Maritime Advisory Committee to OSHA (MACOSH), having been appointed by former Secretaries of Labor Robert B. Reich and Alexis Herman as well as current Secretary of Labor Elaine L. Chao. The purpose of MACOSH is for its representatives to advise Department of Labor officials on all matters relating to the safety and health of employees in the maritime industry.

Chico is so committed to the area of health and safety that he has also pursued many continuing education courses at various universities to enhance his ability to train and educate the stewardship and general membership of Local 733 on these issues. Chico told the *Chronicle*, "It has been the biggest pleasure of my career to do things to ensure the safety and health of our workers."

Over the past few years, one health issue that Chico was involved in as a member of the *Workforce Coalition* was an effort to support the establishment of a Medicare Prescription Drug Benefit. He wrote and called many congressional leaders on this issue and attended, with other *Coalition* members, a meeting with Secretary of Health and Human Services Tommy Thompson, reported elsewhere in this *Chronicle*.

As a member of the *Coalition*, Chico has contributed much to our organization in our efforts to support jobs and the health and safety of workers in America's industrial base. *Coalition* members are proud to count such an accomplished and dedicated union leader as one of their own. The *National Industrial Base Workforce Coalition* proudly salutes William "Chico" McGill! ❖

Chico told the Chronicle, "It has been the biggest pleasure of my career to do things to ensure the safety and health of our workers."

New Air and Space Museum

The Air and Space Museum on the National Mall in Washington D.C. is one of the most popular destinations in our nation's capital. However, it houses a mere 10 percent of the Smithsonian Institution's amazing collection of historic air and spacecraft. If you want to see the other 90 percent, head about 28 miles - or 40 minutes - out of downtown DC to the newly opened Steven F. Udvar-Hazy Center, named in honor of its major donor. Located at Washington Dulles International Airport, the Udvar-Hazy Center was under development for more than 25 years and finally opened its doors in December 2003. The opening date - December 15 - was chosen to commemorate the 100th anniversary of the Wright brothers' first powered flight.

The 760,057-square-foot building is situated on 176.5 acres and, at press time, has over 80 aircraft and dozens of spacecraft on display on the floor and at two levels suspended from the ceiling. Over 200 aircraft and over 125 spacecraft, as well as thousands of small items, will ultimately be on display.

Some of the main attractions include:

- 307 Stratoliner (world's first pressurized airliner)
- B-29 Superfortress Enola Gay (assembled for first time since 1960)
- Concorde (longest and heaviest craft at center, 202 feet, 174,750 pounds; first Concorde acquired by an American museum)
- Dash 80, prototype of the 707 (revolutionized jetliner travel)
- SR-71 Blackbird (fastest airplane ever built)
- Space Shuttle Enterprise (used for landing tests in the 1970s)

A 164 foot high observation tower, an IMAX theater and three multimedia learning labs round out the attractions. As with the other Smithsonian museums, there is no admission fee.

For more information on the Steven F. Udvar-Hazy Center, visit www.nasm.si.edu/udvarhazy or call 202-357-2700. The museum is opened daily (except on December 25) from 10 a.m. to 5:30 p.m.

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