

Trump chooses millionaire fast food executive as secretary of labor

Shelley Connor
9 December 2016

Donald Trump has nominated Andrew Puzder, millionaire CEO of CKE Restaurants, as Secretary of Labor. Puzder, who runs the Hardee's and Carl's Jr. chains, is a well-known opponent of minimum wage increases and of mandatory overtime pay for salaried employees. As Secretary of Labor, Puzder will be positioned to advance policies on minimum wages, wage equality, unemployment benefits and occupational safety.

Puzder has been a particularly vocal critic of raising the minimum wage, stating that doing so would merely provide an incentive for restaurant owners to automate service. At the same time, he has stated in multiple interviews with business publications that he supports fully automating restaurants. In an interview with *Business Insider* in March of this year, he stated, "I want to try it. We could have a restaurant that's focused on all-natural products... where you order on a kiosk, you pay with a credit or debit card, your order pops up, and you never see a person."

He also opposes guaranteeing overtime for poorly-paid salaried employees, such as the men and women who manage his restaurants. Puzder's industry relies heavily on workers making poverty-level wages. Line cooks, cashiers and shift managers at a Hardee's restaurant typically make between \$7.74—just above minimum wage—and \$9.00 an hour. Restaurant managers, who work more than 50 hours weekly, earn about \$36,000 yearly.

Puzder claims that mandating overtime for managers will lead to hours and bonuses being cut. "Most salaried employees recognize that in exchange for the opportunity, prestige and financial benefits that come with a salaried position and a performance-based bonus, they're expected to have an increased sense of ownership and stay until the job gets done, to run the

business like they own it," he wrote in a March 2016 op-ed in *Forbes*.

While Hardee's and Carl's Jr. employees have worked for poverty-level wages, Puzder himself has thrived. His salary is estimated at over \$4 million yearly. His total earnings, however, appear to be much higher. In 2010, he reportedly owned about \$25.6 million worth of CKE Restaurants shares. That was the last year that CKE Restaurants was a public company, and the last year that Puzder's compensation was reported publicly. That same year, he facilitated the sale of CKE to Apollo Equities.

Speaking to the *OC Register* in 2014, Puzder also complained that California law was too strict about rest and meal breaks for employees. Along with California's overtime laws and minimum wage, he cited these requirements as a reason to halt expansion of CKE Restaurants in the state.

Trump's nomination of Puzder has been criticized by trade union leaders, who had largely supported Clinton. The nomination also comes in the midst of an ongoing battle between the president-elect and United Steelworkers Local 1999 President Chuck Jones. Jones has stated that Trump "lied his ass off" and misrepresented the number of jobs that would be saved by Trump's intervention in the Carrier's decision to move production to Mexico. Trump fired back via Twitter that Jones had done "a terrible job representing workers."

The posturing of the unions, however, is completely hypocritical. During the elections, they generally supported Clinton, the candidate of Wall Street who pledged to continue the policies of the Obama administration—which has overseen the largest transfer of wealth to the rich in US history. The unions have long promoted the nationalist poison that Trump sold

during the elections. Following Trump's victory, they pledged to "work with" the president-elect to implement his nationalist economic policy.

Puzder's nomination is of a piece with Trump's other cabinet choices. Betsy DeVos, an enemy of public education, has been selected to head the Department of Education. Ben Carson, the neurosurgeon known for his antipathy towards government "interference" in housing regulation, has been nominated as the Housing and Urban Development Secretary.

Steve Mnuchin, a former Goldman-Sachs executive responsible for a pandemic of foreclosures, has been tapped as Secretary of the Treasury. And Representative Tom Price, a proponent of massive cuts in health care, has been selected to head the Department of Health and Human Services.

So far, the Trump cabinet has a combined net worth of over \$14 billion. Their wealth and their policies place them in direct conflict with the interests of the American working class. The selection of Puzder confirms the social counter-revolution that the new administration is preparing to implement.

At the same time, Trump is continuing and deepening the policies of the Obama administration. Obama allowed Wall Street to choose key members of his cabinet. He supported bank bailouts while leaving workers to contend with underwater mortgages and foreclosures. He spearheaded the assault on wages through the bankruptcy of the auto companies, and his principal domestic initiative—the Affordable Care Act—served to shift costs of health care from corporations and the state onto individuals.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact