

THE WAR ON UNIONS IS AN ATTACK ON DEMOCRATIC PRINCIPLES

By Nick Gier, President, Idaho Federation of Teachers, AFT/AFL-CIO

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A unionized public employee, a teabagger, and a CEO are sitting at a table.
In the middle of the table there is a plate with a dozen cookies on it.
The CEO reaches across and takes 11 cookies, looks at the teabagger and says:
“Look out for that union guy; he wants a piece of your cookie.”

Liberal democracy is one of the greatest achievements of human civilization. I’m using the word “liberal” in its original meaning: *liberalis*, Latin for “pertaining to the free person.” This is also the meaning of liberal, free-market economics and a liberal education, in which we expect students to become free and responsible citizens. We are all liberals in this sense of the word.

The most successful societies have been those in which free people elect representatives to decide how to meet their social, economic, and cultural needs. If the people are not satisfied with their performance, they have the option of voting them out in the next election. It is inspiring to see that the people of the Middle East, led by their youth, are insisting that they too want the benefits of liberal democracy. Contrary to what some contend, all cultures can practice liberal political principles.

Democracy in the Workplace in 1935; Wisconsin Public Workers in 1959

The democratic process is not always very efficient nor is it free from corruption. In ancient Greece and early America the franchise was also limited to propertied males, but now women and minorities have the right to vote. Americans did not have the right to vote in their workplace until the passage of the 1935 Wagner Act, which allowed collective bargaining for private employees only, not those in the public sector or in agriculture.

Those who say that collective bargaining is obsolete are essentially rejecting the full implementation of democratic principles. Even with the best working conditions employees have right to voice their opinions about how to make their jobs even more safe and efficient. Those who say that the high percentage of private sector workers not unionized is a sign that they are satisfied with their salaries and benefits are talking nonsense. Since the corporate anti-union drive inspired by President Reagan’s firing of the air traffic controllers, real wages have been stagnate for 30 years. Several polls have shown large percentages of people who say that they would vote for union representation. They are of course assuming that their bosses would recognize the vote (a great number do not) and not use intimidation tactics against them (Walmart is the champion in this regard).

Starting with Wisconsin in 1959 (a long 25 year wait!) public employees in many states now have democracy in their workplaces. As opposed to a record low of 7 percent in the private

sector, unions now cover 36 percent of employees in local, state, and federal government. There are now more government workers in unions (7.6 million) than the 7.1 million in the private sector. Some or all government workers can now bargain in 40 states.

Public Employee Strikes are Illegal

President Franklin Roosevelt rejected the idea of public sector bargaining because “paralysis of government by those who have sworn to support it is unthinkable and intolerable.” In 1962 President John Kennedy took care of Roosevelt’s concern by banning strikes for all federal workers, 700,000 of whom are now under union representation.

In nearly all jurisdictions it is illegal for firefighters and policemen to strike, and in 18 states all public sector strikes are proscribed. Many other states have no legal restrictions, but courts have ruled that strikes do not constitute free speech. Employees of course have an inalienable right to withdraw their services at any time.

Public sector unions have been responsible both in terms of requests at the bargaining table and in rare work stoppages. For example, the number of teacher strikes in the nation’s 16,000 school districts fell from 271 in 1975 to 15 in 2004. Public employee strikes in Ohio were much higher before union representation, because, rather than venting their grievances in the streets, the workers were able to resolve them at the negotiation table.

Public Pensions are Modest and Not Negotiated in Many States

It is important to correct some errors and distortions of fact that one hears on the talk shows. First of all, most public sector unions do not negotiate pensions. Most pensions are set by non-partisan retirement boards, whose recommendations are confirmed by legislative vote. Sue Urahn of the Pew Center for the States has concluded that the \$1 trillion underfunded liability in state pension funds is due primarily to state mismanagement and not union demands. Even with these problems, researchers at Boston College’s Center for Retirement Research have calculated that if all the funds were frozen and did not earn any more dividends (a worse case scenario in an improving stock market), the states would still have, on average, enough money to pay all pensions for 13 more years.

Across the nation funding for public employee pensions account for about an average of 3 percent of state and local budgets. The average state pension is \$19,000 per year with the highest at \$40,696 in Illinois and the lowest at \$12,000 in Montana. The California average of \$26,660 includes some who worked only until they were vested, but also the 1.2 percent featured in the anti-union ads that make over \$100,000 per year. It is significant to note over 6 million public employees in 15 states must give up federal social security as a condition of government employment.

Government Workers are Paid Less in Comparable Jobs

Distortion also abounds about public employee salaries. Keith Bender and John Heywood, economists at the University of Wisconsin, have studied this issue in depth and they conclude that, for comparable education and jobs, state employees earn 11 percent less than private workers. When public health and pension coverage is included, the gap is still 6.8 percent.

The pay differential for professional employees is even greater. A survey of 45 professions conducted by my union found that private attorneys make 75 percent more than those who work for the government. Private economists make 71 percent more; private geoscientists, 67 percent; and private chemists, 54 percent. While “knowledge” workers suffer the greatest disparity, the average discount for public salaries in 45 areas was 20 percent. By the way, public sector professionals in this survey received an average .4 percent salary increase from 2009 to 2010.

People in the professions sacrifice huge potential earnings by committing themselves to public service. In return they should not be criticized for better job security and better benefits, especially if this has been achieved fairly in mutual negotiation with their employers. Attorneys, engineers, economists, business experts, and biomedical scientists on my campus and elsewhere have foregone lucrative private jobs in order to educate Idaho’s students.

The argument that public employee bargaining should not be allowed because unions are essentially negotiating with politicians who helped elect them is misguided for several reasons. The critics say that they must somehow be directly accountable to all taxpayers. First, shareholders are never consulted by corporate attorneys who have sometimes agreed to contracts that have bankrupted their companies. Second, in order to eliminate political bias, legislatures should set up bipartisan or nonpartisan negotiation boards that will bring all parties and interests to the employer side of the bargaining table.

Wisconsin’s Public Unions are Ready to Talk

Wisconsin’s government unions are ready to sit down with Gov. Scott Walker and take salary cuts and pay more for their retirement and health care, but he refuses to talk to them. For two years they have already taken furlough days. Walker’s stubbornness, plus the fact he has exempted the unions that supported him from his union-busting bill, proves that his battle is ideological and not a serious attempt to reduce the deficit. The police and firefighters that supported Walker are the most unionized employees in Wisconsin.

Governor Walker also has not been straight with his constituents about the public employee pension plan, which, as Pulitzer Prize-winning David Kay Johnson has revealed, is funded entirely by the employees themselves (<http://tax.com/taxcom/taxblog.nsf/Permalink/UBEN-8EDJYS?OpenDocument>). The pension fund has come up short primarily because of the Great Recession, and the unions are willing to increase their contributions to start making up for the unfunded liability. There is no immediate crisis because the fund still has enough money to finance pensions for 18 more years. Across the nation government pensions funds lost \$900 billion in the stock market in 2007-08. The fault lies primarily with the banks and financial speculators not the unions.

Public employee unions are also not the cause of the state budget deficits across the nation, as the following statistic dramatically proves. According to Policy Matters of Ohio, the deficits in those states that prohibit all public sector bargaining average 25 percent, whereas they are 24 percent in those states that allow all their government employees democracy in the workplace (*The Economist*, 2/26/11). For example, Kentucky is a state that does not allow public employee bargaining at all and its pension fund can pay its retired workers for only 4.5 more

years. We all hear about California's deficit of \$25.4 billion (\$682 per person), but rarely hear about Texas' shortfall of \$27 billion (\$1,080 per capita).

Gov. Walker's bill would also require public sector unions to face automatic recall elections on an annual basis. There is no democratic system of which I am aware that places such a burden on its elected representatives. (Would the governor and his GOP majority subject himself to such unnecessary electoral scrutiny?) Usually it takes signature cards from 30 percent of the bargaining unit to order to call for union decertification. Walker has chosen ideological revenge, not reasonable political action.

Walker's bill would also stop payroll deduction for union dues. These dues are essentially a tax that employees pay for the cost of representation and the pay and benefits gained through negotiations. No one, except a few tax patriots, objects to automatic withholding for federal and state taxes, so why should this be any different for government workers? Wisconsin workers will most likely have a good cause to sue if all the other payroll deductions for United Way, Public Radio/TV, and university donations stay in place.

Even before right-to-work legislation passed in Idaho and other states, the teacher unions financed themselves through voluntary dues. In other states non-members are charged reduced "agency fees," which are set by a labor board or judge and exclude that portion that goes to political activities. There are no traditional union shops—i.e., workers must become union members as a condition of employment—in public sector workplaces.

Walker's bill would limit negotiation rights to salaries only, and they would be limited to the rate of inflation. Any increase above this would have to be put to a vote of Wisconsin's citizens. Settling for the rate of inflation amounts to a pay cut not a raise. Our faculty union publishes a salary survey every year and over 27 years the upper administration raced 62 percent ahead of the CPI, but the faculty lagged 17 percent behind.

Idaho Teacher Tenure and Negotiation Rights Undermined

In 1971 a K-12 negotiations act passed the Idaho Legislature by a large majority, and the Idaho Education Association has bargained responsibly for 40 years. In 1976 I co-authored a public employees bargaining bill that lost by a tie vote of 4-4 in the Senate HEW committee. A bill for negotiation rights for higher education employees sponsored by my union gained overwhelming support from Idaho's faculty senates (158-18), but legislators have refused to discuss it.

In defiance of thousands of teachers, students, and parents testifying and protesting, the Idaho Legislature just passed a bill that would end tenure rights, would undermine due process, and severely limit the scope of collective bargaining. Limiting the contract period to one year and requiring the union to prove that it always represents half the teachers would increase the cost of negotiations and waste the precious time of teachers and administrators who participate in them.

Polls Support Unions and Walker's Recall

Gov. Walker has already received an unofficial recall vote. A state-wide poll done by Public Policy Polling shows that his Democratic opponent would beat him in a re-match by 7 percentage points. The same poll indicated that 48 percent would vote to recall him. There is already a move under way to recall eight GOP Republican state senators. The same poll indicated that 57 percent support collective bargaining rights for all workers. And *Talking Points Memo* reports on a brand new poll by a Republican leaning pollster -- "Rasmussen Poll: Almost Six In Ten Wisconsin Voters Disapprove Of Gov. Walker."

Nation-wide a NYTimes/CBS Poll found that 60 percent supported negotiation rights, and "61 percent— including just over half of Republicans — said they thought the salaries and benefits of most public employees were either 'about right' or 'too low' for the work they do." A surprising 40 percent said that they would rather pay more taxes than see public employees lose their jobs. A recent poll of Idahoans done by the Public Policy Survey found that 52 percent would accept a tax increase to support public schools.

The brave people protesting in Wisconsin's Tahrir Square (one sign read "Egypt Help Us!") are ready to give up salary and pension costs, but they will never give up their voices and their right to be at bargaining table on all the issues that concern them.

Nick Gier taught philosophy at the University of Idaho for 31 years.