

“I’m Sticking To the Union”

by Fr. John S. Rausch

Wisconsin under the leadership of Governor Scott Walker recently passed a law that strips most government workers at the state, county and local levels of their collective bargaining rights. Only police, firefighters and the state patrol are exempt from the law, but teachers and public health workers are not. To seek pay raises higher than the consumer price index, unions need to win approval by a public referendum, and every year union members must vote to continue being represented by their union. The unions fought the legislation to the last vote.

Ostensibly the law was passed to address part of Wisconsin’s \$3.6 billion structural budget deficit caused by the Great Recession. The legislation requires state employees to pay 12.6 percent of their health care coverage and half of their pension costs. The measure could save the state \$30 million in the short run and possibly \$300 million over the next two years. During the legislative debate the unions accepted the financial give-backs in a gesture of conciliation, but stood fast about their collective bargaining rights. After the bill passed stripping those rights, many wondered about the real intent of the law.

Archbishop Jerome ListECKI of Milwaukee reflecting Catholic teachings on labor issued a statement in favor of the workers’ rights: “Hard times do not nullify the moral obligation each of us has to respect the legitimate rights of workers.” He reminded us, “Every union, like every other economic actor, is called to work for the common good...However, it is equally a mistake to marginalize or dismiss unions as impediments to economic growth.” This last statement contains the core of the continuing moral debate about unions.

What caused the Great Recession? Most economists would agree it was the sub-prime mortgage bubble and the hyper-speculation of Wall St., not the pay scale of teachers and nurses. The recession came after three decades of neoliberal economics that enshrined freedom and individualism at the expense of community and the common good. Trade liberalization, outsourcing, deregulation, privatization, restrictive labor rulings plus revised accounting and financial rules slowly turned the middle class into a “debtor class” as workers struggled to maintain their standard of living. While productivity expanded by a vigorous 20 percent between 2000 and 2006, real wages edged up only 2 percent. In reality, 65 percent of all growth in household income between 2002 and 2007 went to the richest 1 percent!

Economist John Kenneth Galbraith saw unions as a countervailing force to stand against the immense power of capital so labor could share fair gains. From a moral perspective, Pope John Paul II wrote in 1981 that a “union remains a constructive factor of *social order* and *solidarity*, and it is impossible to ignore it” (*Laborem exercens* #20, emphasis in original.) Without unions little will prevent egregious structural sins against distributive justice, which demands a fair share and dignified life for everyone in society.

In Wisconsin proponents of Gov. Walker’s law tried to discredit public workers as lavishly overpaid, but John Schmitt of the Center for Economic Policy Research matched public and private sector workers according to age and educational levels. He found overall public sector workers made 4 percent less than their private sector counterparts.

At the heart of Catholic social teachings lies a sense of solidarity and community. Pitting private and public sector workers against one another ignores the just claim every worker has to adequate pay, health care and retirement pension. Justice demands we not make workers the scapegoats of budget deficits caused by cruel neoliberal economics.