

The background of the entire page is a close-up, slightly blurred image of the American flag, showing the red and white stripes and a portion of a blue field with white stars. The colors are rich and saturated.

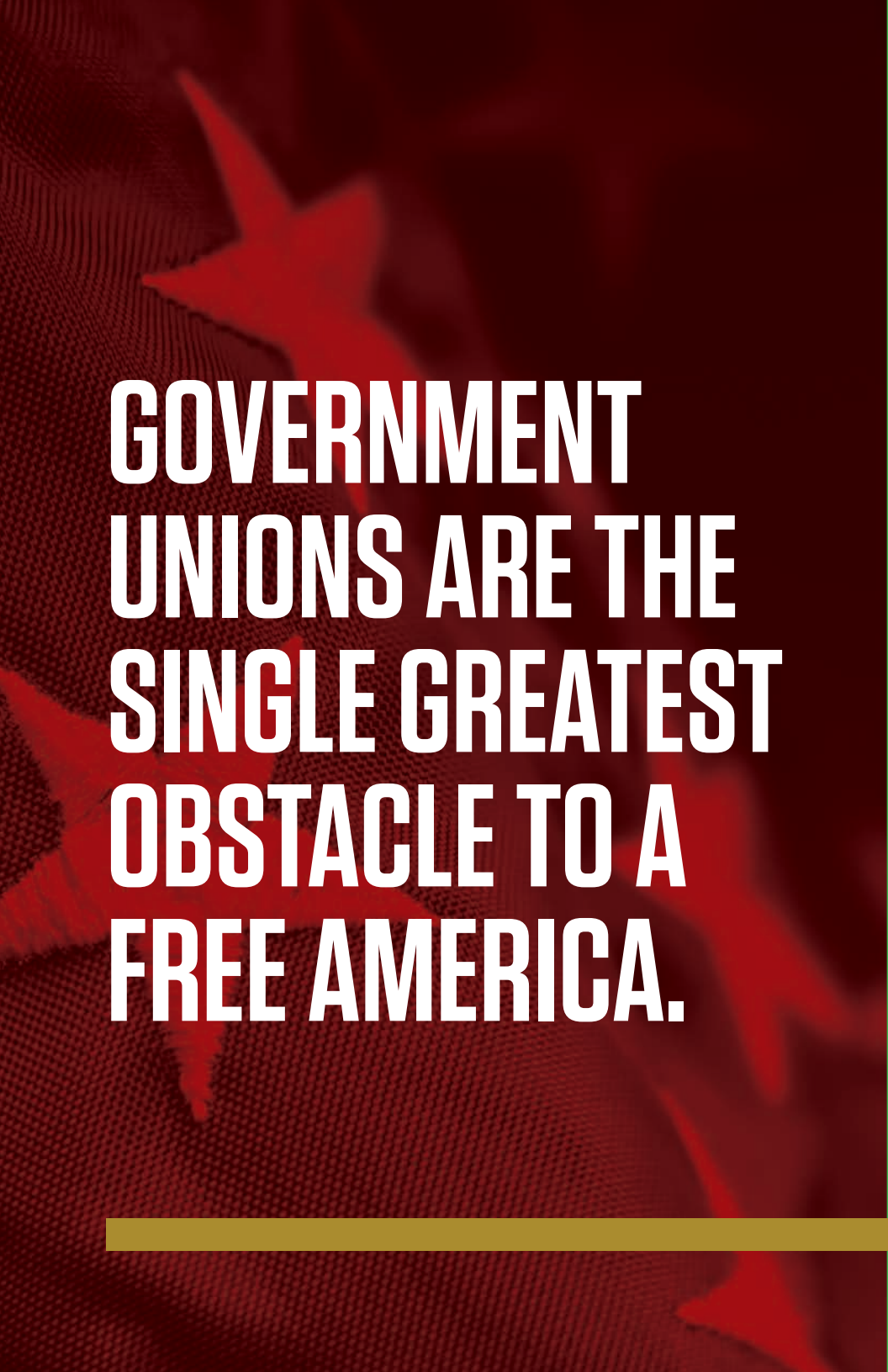
WHY WE FIGHT

★★ PART II ★★

By

AARON WITHE

CEO of the Freedom Foundation



**GOVERNMENT
UNIONS ARE THE
SINGLE GREATEST
OBSTACLE TO A
FREE AMERICA.**

HOW WE GOT HERE

America is the greatest country on earth, and our founding fathers gave us a system of government that has achieved marvelous things over more than 200 years.

So, how did the government that won two world wars and put a man on the moon devolve into a government that can't police its streets, teach its kids, or even provide the basic level of economic opportunity that we once took for granted?

Government unions played a huge role in the destruction of America's system of self-government. But where did government unions come from in the first place? And how did they hijack our country's political system for their own gain?

The rise of government unions overlapped almost perfectly with the decline of American government since mid-century, a time when people could still use the phrase "good government" in a sincere and unironic way.

What's so interesting about government unions is that they were almost non-existent during the heyday of organized labor. And the mere thought of them existing at all was something that everyone—even union bosses themselves—could agree was a huge danger to our country.

Let's step back in time a moment to see what I mean.

Although the first labor unions in our country date as far back as the early days of the republic, organized labor truly became a cultural and political force during the mid- to late-1800s.

As our country became more industrialized and factory jobs proliferated, the owners of these enterprises often found themselves with a monopoly or near monopoly on employment in their towns.

This left workers in a tough spot. While many industrialists took an enlightened approach toward labor, providing above-market wages and robust community life off-the-clock without threats of labor strife from unions, workers nonetheless were heavily reliant on their employers for their basic livelihood. Lack of robust labor mobility also restricted the ability of people to improve their lot in life.

Against this backdrop, industrial-age workers found leverage by joining forces to collectively bargain for improved pay, hours, and benefits. When we think of the hardships these workers endured—mining coal, building early automobiles, forging steel, and so on—labor unions were a natural and understandable response to the workplace conditions of their time.

Over the past 100 years, however, much has changed—and along the way, the original purpose of unionism has lost its relevance.

For starters, a robust service economy has displaced industrial-era labor as the primary source of employment in America. Today's laptop-toting professional class simply does not face the same hardships that their grandfathers and great-grandfathers faced many decades ago. Add in labor innovations such as a new gig economy and the proliferation of freelancing and independent contractor roles that allow workers to be their own boss and set their own hours, and private-sector unionism has struggled to maintain its relevance.

Workers responded accordingly, leaving unions in droves over the past few decades. Today, just 6.1 percent of the private-sector workforce is unionized, down from more than 35 percent in 1954.

**TODAY, JUST 6.1 PERCENT OF
THE PRIVATE-SECTOR WORKFORCE
IS UNIONIZED, DOWN FROM MORE
THAN 35 PERCENT IN 1954.**

As capitalism advanced and the standing of workers improved, union bosses faced a dilemma.

For decades, they enjoyed immense power bases and carried favor with powerful politicians. They stood toe-to-toe with some of the great industrial titans of American history. Yet year by year, the base of that power steadily eroded. Would union bosses simply go quietly into the night and allow their power to wither away?

Unfortunately for our country, the answer was no.

Starting in mid-century, government employees began replacing private-sector employees as the face of organized labor. Today's union member is more likely to work in a classroom than a coal mine.

That would have been unthinkable to even the staunchest supporters of organized labor a few generations ago.

Throughout much of the 20th Century, the most prominent left-leaning politicians and even the union bosses themselves understood that essential public services cannot be held hostage by labor strife. They also understood that the counterparty to any collective bargaining negotiation involving government unions was none other than the American taxpayer. As President Franklin Delano Roosevelt said:

“A strike of public employees manifests nothing less than an intent on their part to obstruct the operations of government until their demands are satisfied. Such action looking toward the paralysis of government by those who have sworn to support it is unthinkable and intolerable.”

George Meany, the first president of the AFL-CIO, added that he believed it was “impossible to bargain collectively with the government.”

Even as late as 1968, when the unionization of the government workforce was well underway, New York Times labor reporter A. H. Raskin wrote:

“The community cannot tolerate the notion that it is defenseless at the hands of organized workers to whom it has entrusted responsibility for essential services.”

The idea that an organization could exist to directly lobby against the interests of the American people was unimaginable. Yet an unholy alliance between left-wing politicians and power-hungry union bosses allowed that to happen—with exactly the disastrous results that they themselves predicted.

To sum up exactly what happened, organized labor began as a way for workers to improve their standing in our country—but slowly it transformed into a weapon to destroy it.

The seeds for this were planted as far back as 1935. Despite vigorously opposing government unions, Franklin Roosevelt had no beef with their private sector unions, and signed a landmark piece of legislation called the Wagner Act to guarantee the right of workers to form unions, collectively bargain for wages and benefits, and go on strike.

The Wagner Act was a key milestone because it marked the beginning of an alliance between union bosses and liberal politicians that continues nearly a century later.

This alliance was fully visible by the 1950s. By that time, unions provided the money and the ground game for the left and its political machinery.

Yet, just as union bosses were hitting their stride as political kingmakers, the American workforce had less and less need of unions. A booming postwar economy meant that workers had better pay and benefits with or without the unions—and they soon found they could do better by pocketing their dues and leaving the unions behind.

And indeed they did: the long steady decline of private-sector unionism began, and continues to this day.

Each member who left meant fewer dollars for the union bosses to spend on rigging elections, and uncertain political futures for the beneficiaries of their largesse.

ORGANIZED LABOR BEGAN AS A WAY FOR WORKERS TO IMPROVE THEIR STANDING IN OUR COUNTRY— BUT SLOWLY IT TRANSFORMED INTO A WEAPON TO DESTROY IT.

By the late 1950s, stemming the outflow of dues-paying members—and the money they took with them—became job one for the union bosses and their hired hands in government.

In 1958, they crossed a huge red line.

That year, New York City Mayor Robert Wagner, Jr. issued an executive order allowing city workers to unionize and collectively bargain. Known informally as the “Little Wagner Act,” it inspired a wave of copycat policies in the 1960s and ‘70s allowing for mass unionization of government workers. Labor historian Daniel DiSalvo of the American Enterprise Institute describes what happened next:

Between 1960 and 1980, the portion of full-time unionized public employees jumped from 10% to 36% of the public-sector work force. AFSCME grew from 99,000 members in 1955 to just under 1 million members in 1980. Over the same period, the American Federation of Teachers grew from 40,000 to more than half a million members. Today, its membership stands at more than 1.5 million — which makes the AFT larger than the largest exclusively

private-sector union, the United Food and Commercial Workers (1.3 million members). But even the AFT is dwarfed by the largest labor union in the United States: the National Education Association, which claims 3.2 million members.

Today, teachers unions and other government unions have displaced autoworkers and electrical workers as the face of American unionism, with all the results you would expect with such a dramatic shift: a huge degradation of teaching and other government services, and a huge loss of standing for voters and taxpayers.

The final blow came in 1977 when the US Supreme Court issued its ruling in *Abood vs. Detroit Board of Education*, which required state and local government workers to join a union whether they wanted to or not, simply as a condition of holding a government job!

Let's put this in perspective: in a span of roughly 40 years from Franklin Roosevelt to Jimmy Carter, government unions went from being unthinkable to being the law of the land!

The consequences weren't subtle: as millions of government workers were added to the union member rolls, the postwar economic boom came to a screeching halt. Stagflation took over. And taxes soared, with the top federal rate reaching 70 percent!

Allowing millions of government union employees to negotiate on the opposite side of the table from taxpayers turned out to be a total disaster—one that was all too predictable and one that never should have been allowed to happen.

The left, despite warnings from the better angels on their side like Franklin Roosevelt and George Meany, willfully chose themselves and their own power over the best interests of their country. And America has never quite recovered.

Inflation, stagflation, and insane taxes are the things that are remembered most about the heyday of government unions in the 1970s. But what people often forget is the complete shattering of American confidence during that timeframe. From 1960 to 1979, we

went from Camelot and the Mercury space program to Carter, gas rationing, and the Iranian Hostage Crisis.

America took a huge conservative turn in 1980. New direction helped regain lost confidence. America boomed during the Reagan years, and the tech revolution of the 1990s and early 2000s extended prosperity into a new Millennium.

Yet for all the good things that happened during the closing years of the 20th Century, government unions continued rigging elections and enriching themselves at taxpayer expense.

A state like Connecticut offers a great case study: in 1991, this once-prosperous state had no income tax, and served as a leafy suburban refuge for a prosperous upper class commuting into New York City.

Yet even amid the boom times of the 1980s, dark clouds were gathering.

By 1991, above-market wages and benefits for the state's unionized government workforce nearly broke the state budget. Republican governor Lowell Weicker, seeking a "grand compromise" to fill the gap, made the disastrous decision to enact a state income tax.

What happened next was all too predictable: this stopgap measure turned into a cash cow for the union bosses and for liberal politicians, and spending steadily climbed. Yet despite the new taxes, revenues could never quite keep up with the spending (and all the political control that comes with it). So, taxes went up again in 2003, 2009, 2011, and 2015.

The tax hikes following the Dot-Com and Housing Bubble crashes were particularly ill-timed, giving neighboring states a competitive advantage and leading to huge outmigration of jobs and the people who fill them.

Today, after 30 years of ratcheting up taxes, spending with abandon, and expanding government control of that state, Connecticut finds itself as the single most indebted state in the union. And yet its liberal politicians leaders are hungry—ravenous—to grab an even larger share of the state's economy in the form of tolls and gas taxes via a dreaded "green" boondoggle known as the Transportation

and Climate Initiative (TCI).

Unions have sucked a prosperous state like Connecticut dry. And they've done the same in countless other places with once-robust economies, starting with New York and California and Illinois.

For more than 60 years, government unions have mounted a stealth attack on taxpayers. They've saddled our most prosperous and productive states with unthinkable debts while conditioning Americans to expect less and less of their government with each passing year.

Today, government unions have become so powerful and extracted such a huge share of the resources we provide to the government in taxes that our system is on the brink of collapse.


America hasn't balanced its budget in 25 years, and state-level finances are a disaster. No one even pretends that tax revenues will cover the insane costs that unions have imposed on government. This fiscal crisis has forced government to take increasingly perverse actions to keep the system afloat, including multi-trillion bailouts of state government in the form of "COVID Emergency" funds that were airdropped across America in 2020 at the height of mass hysteria over the virus.

This cannot continue. America cannot survive much longer with government unions having more control of government than voters and taxpayers, let alone our kids who inevitably will be left to pick up the pieces of their reckless reign of fiscal terror.


While time is running out, the Supreme Court gave us an escape hatch in 2018 when it handed down a ruling that allows us to dramatically curtail the power of government unions. This gives us an opening to turn our country around. But we must act fast to seize this lifeline for our nation...

TO BE CONTINUED....

look for installment THREE in your mailbox next month.



**GOVERNMENT
UNIONS NEVER
SHOULD HAVE
BEEN ALLOWED TO
TAKE ROOT IN OUR
COUNTRY IN THE
FIRST PLACE.**



There is no path to a freer America until we end the undue influence of government unions. Government unions are a powerful blockade against individual liberty, free enterprise, and limited, accountable government. The Freedom Foundation is taking on government union bosses and defunding their radical unconstitutional agenda.

“Why We Fight” is a three-part essay reflecting on exactly that: *WHY WE FIGHT!*

The first part explores how government unions are a root cause of every growing national dysfunction in America. The second installment reflects on how government unions became such a pervasive influence on American life. The third and final piece discusses how the Freedom Foundation’s national expansion is countering this destructive force and helping to bring about a new era of American prosperity.



PO Box 552
Olympia, WA 98507

FreedomFoundation.com

