Government Against Itself: Public Sector Union Power and Its Consequences

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Author: Daniel DiSalvo
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Reviewer: Joseph E. Hower

Over the past five years, government employee unions have emerged as a fault line in American politics. Following the onset of the Great Recession, elected officials, political pundits, and editorial boards seized on unionized government workers as overpaid and underworked parasites feeding on strained public budgets. Republican governors Mitch Daniels, Chris Christie, John Kasich, and, above all, Scott Walker rode well-publicized confrontations with unions to national prominence. Pollster Dick Morris cast the 2010 midterms as a popular rebuke of the public’s ‘union masters’. In the aftermath of the worst financial disaster since the Great Depression, the Wall Street Journal dubbed government workers ‘America’s most privileged class’.

Daniel DiSalvo’s new book, Government against Itself: Public Union Power and Its Consequences, offers an accessible, academic variation on the theme. A political scientist at City College of New York and Senior Fellow at the Manhattan Institute for Policy Research, DiSalvo brings welcome attention to a neglected area of scholarship. He rightly notes that popular perceptions of union membership – ‘the beefy white ethnic in a hard hat and steel-toed boots’ (p. 40) – bear little resemblance to the realities of modern American labor. Since the early 21st century, public sector workers, one-sixth of the workforce, have constituted roughly half of all U.S. union members. Yet in contrast to the rich and varied literature on miners, carpenters, autoworkers, and such, public sector labor remains a mostly vacant field of study. Government against Itself is part of a growing, multidisciplinary effort to correct this imbalance. Unfortunately, its reliance on secondary sources, limited geographical reach, and narrow chronological framework renders it a problematic addition.

The main argument of Government against Itself is that public sector labor unions have increased the cost and reduced the effectiveness of government without substantial benefit to the broader taxpaying public. DiSalvo claims that public sector unions are narrowly focused and self-interested, just like any other interest group. But, unlike any other, they enjoy tremendous advantage in terms of access and resources. By engaging in both collective bargaining and lobbying/electioneering, public sector unions essentially had ‘two bites at the apple’ (p. 20). Because public officials had few incentives to resist union demands and compelling reason to court an important constituency (particularly at the local level), they freely extended institutional recognition, generous job security, and cushy healthcare and pensions benefits – a ‘shelter from
the economic storm that rages in the private sector’ (p. 34) The predictable result was a public sector wage bill that bankrupted America’s states and cities, distorted its politics, and undermined popular faith in government.

For students of public sector labor history, this is a familiar thesis. Yale Law professors Harry H. Wellington and Ralph K. Winter, Jr. pioneered it in the late 1960s and early 1970s, and it has remained a staple ever since. But while Wellington and Winter focused mainly on the inappropriateness of the traditional collective bargaining model in the public sector, DiSalvo emphasizes the adverse economic and political consequences of unionized government. ‘As expenditures on benefits increase, they “crowd out” government spending on parks, education, public safety, and other services on which the poor and middle class rely. In short’, he claims, ‘government costs more but does less’ (p. 4). He insists that public sector unions divert resources from the wealth-creating private sector and constructive social programs while creating elaborate bureaucratic and regulatory obstacles to effective government action. ‘The problem with unions in the public sector’, DiSalvo argues at the start, ‘is that in order to serve the interests of their members, they hamstring government’s ability to address social problems, reduce inequality, and enhance social cohesion’ (p. 4). He goes on to suggest that ‘Sacrificing a huge swath of states’ and cities’ education, health, and poor relief expenditures to pay for the benefits of a vastly smaller slice of people that happened to have worked for government is hardly a wise allocation of scarce resources’ (p. 37). By burdening governments with budget-busting pension and healthcare benefits and overly restrictive work rules, public sector unions functioned as an obstacle to the ‘flexible and responsive’ government sought by both liberals and conservatives – regardless of size (p. 38). Instead, government became ‘like Gulliver in Lilliput: tied down by thousands of rules lobbied for and negotiated by public sector unions’ (p. 185).

The book’s ten thematic chapters elaborate on this theme. Some are quite good, particularly his measured discussion of the complexities of comparing public and private compensation (chapter seven). DiSalvo’s insistence that public sector unions represent the least recognized component of the ‘rights revolution’ of the 1960s and 1970s (chapter three) is also valuable, and he appropriately highlights the interplay of political, legal, and economic factors in the growth and development of public sector labor during the second half of the twentieth century. But in other respects, the history is disappointing, particularly for a book that aspires to ‘understand the rise and role of public sector unions and follow the evidence where it leads’ (p. 9). Notably absent, for example, is any semblance of a social history of union formation. In DiSalvo’s telling, public sector labor was largely the creation of lawyers and politicians, not workers. He even goes so far as to claim that because the law encouraged union membership and dues deduction, ‘public sector unions are, to a large extent, interest groups created by government itself’ (p. 115). This framework reflects his focus on developments since the late 1970s, but it ignores the struggles of local unionists to forge a meaningful public sector labor movement in the two decades after the Second World War, at a time when neither law nor politics was hospitable. While DiSalvo can rightly be forgiven for not delving deeply into the historical literature, the exclusion of the work of political scientist Sterling Spero, a pioneer in the treatment of public sector unions, is surprising and unfortunate.

More broadly, DiSalvo’s case is over-argued and under-sourced. The claim that public sector workers are fundamentally different from their private sector counterparts is neither new nor fully persuasive. While there are obvious differences (particularly in legal status and market pressures), there are also important underlying commonalities. While it may well be true, as DiSalvo argues, that government employees ‘lack the victimhood status of industrial workers battling capitalist barons’ (p. 10), study after study demonstrates that workers form and join labor unions for the same basic reason: because they are dissatisfied with their job. Civil service laws offer public employees a more effective umbrella of protection against employer reprisal, which is why it has generally been easier to organize in the public sector than in the private sector since the 1970s. While DiSalvo does not deny any of this, he treats job security almost exclusively in terms of the protections it offers to under-performing government workers, particularly teachers. But civil service laws also protect union organizers. While dissatisfaction with the civil service system served as a key organizing issue for public sector unions in the 1940s and 1950s, it also offered a measure of protection for the nascent movement. Given the extensive literature on the effect of (mostly illegal) union avoidance
practices by private sector employers, it is perhaps worth underscoring that government employers have found it much more difficult to flagrantly flout labor laws.

Such a treatment is all the more important given the current backlash against public sector unions. DiSalvo frames Scott Walker’s Act 10 as a well-intentioned, almost apolitical attempt to balance the state’s budget. This seems incredibly naïve. In a book that emphasizes the political and financial resources of public sector unions, it is shocking that tremendous (and well-publicized) support lent to Walker by conservative billionaires Charles and David Koch goes unmentioned. Nor does DiSalvo address the fact that Walker outspent his public-sector-union-backed opponents in 2012, in part because of backing from out-of-state conservative organizations like Americans for Prosperity. DiSalvo argues that Walker had to spend ‘huge sums of political capital’ to achieve what he terms a ‘modest reform’ (p. 7), but fails to connect its passage to Walker’s subsequent fundraising success or potential presidential bid. The anti-union campaign proved a lucrative investment for the Wisconsin governor.

This oversight is a missed opportunity to delve into the longer history of public sector anti-unionism. In DiSalvo’s telling, opposition to public sector unions emerged only in the aftermath of the Great Recession. But it is much older. Wake Forest Law Professor Sylvester Petro pioneered anti-public sector union arguments in the early 1970s. The Public Service Research Council and its lobbying arm, Americans Against Union Control of Government, were created in 1973 and 1974 respectively. Conservative journalist Ralph de Toledano penned his anti-union treatise, *Let Our Cities Burn*, in 1975 – with a foreword from Senator Jesse Helms and blurb by Ronald Reagan. Howard Jarvis, architect of California’s landmark Proposition 13, wielded anti-public-worker arguments to justify his tax-cutting crusade in 1978, promising that government services could be maintained at lower cost by striking at the generous pay and benefits of state and local government employees. DiSalvo does briefly mention Reagan’s breaking of the 1981 Professional Air Traffic Controllers’ Organization strike, but stops short of addressing state efforts to roll back union rights during the Clinton era or the Bush administration’s opposition to collective bargaining in the Transportation Safety Administration or Department of Homeland Security. This longer history would complicate DiSalvo’s framing of recent developments as confrontations between budget-busting unions and fiscally-responsible elected officials.

The most challenging part of DiSalvo’s argument, though, is the assertion that public sector unions function to stifle rather than expand a progressive agenda. In contrast to business and private sector unions, where market pressures constrained interest and ensured attention to a broader public good (either through new products, jobs, and economic growth, on the one hand, or improved efficiency and reduced inequality on the other), public sector unions, in DiSalvo’s view, offered few redeeming benefits. Wage and benefit gains in government had few spillover effects for the majority of workers, and to the extent that they led to higher taxes or fewer public services, actually ran counter to their interests. Because public sector unions tend to represent older, more highly educated, and thus better compensated employees anyway, DiSalvo also claims that they were unable to fulfill organized labor’s traditional role in lifting up the lowest paid. Unionized government workers, he notes, ‘have far more job protections than most workers, in most places, for most of human history’ (p. 56). Finally, DiSalvo argues that public sector unions are major obstacles to experiments in privatization, which he sees as the best means of improving public services. Less wage compression (the gap between the lowest and highest paid employees) and more managerial discretion would, DiSalvo suggests, attract more talent to government service. By opposing such efforts (both in the political realm and through restrictive work rules), public sector unions blocked some of the best avenues for improving government – and thus restoring popular faith in it.

Again, this account would be strengthened by a greater engagement with the history of public sector union activism. Racial minorities and women (particularly minority women) are overrepresented in the public sector. Not only do they benefit most from union wages and benefits, this has also led to a strong historical connection between public sector unions and struggles for racial and gender equality. DiSalvo describes the public sector union agenda as a set of concentric circles: daily concerns and bread-and-butter issues; issues generally affecting all workers like labor law, healthcare policy, and the minimum wage; and broader liberal
concerns like abortion, gun control, and gay marriage, which the unions support to secure goodwill from political allies (pp. 119–20). While certainly true to some extent (not just for unions, but for all politically active groups), this framework ignores the extent to which these issues have historically been intertwined.

Early organizing drives among city workers in places like New York and Philadelphia were inextricably tied to the contemporary Black Freedom Struggle. Jerry Wurf, who led the American Federation of State, County, and Municipal Employees in New York during the 1950s and 1960s and became national president in 1964, was also a cofounder of a local chapter of the Congress of Racial Equality. DiSalvo suggests that such activism is best understood as an example of a union leader whose political agenda ran far beyond the concerns of the rank-and-file. That’s undoubtedly true, and well established in social science. But AFSCME locals also sent a large delegation of rank-and-file members to the March on Washington in 1963, lobbied for state and local anti-discrimination laws, participated in local anti-segregation struggles, and, of course, launched the 1968 sanitation strike that brought Martin Luther King, Jr. to Memphis, where he was assassinated. Later, the same union became a pioneer in efforts to secure meaningful pay equity and comparable worth, including launching the first strike over the issue in San Jose, California in 1981. AFSCME was one of the strongest opponents of Reagan’s budget cuts, despite the fact that the federal programs were only indirectly related to their own material interest in state and local government. More recently, public sector labor unions have played crucial roles in efforts to both expand healthcare coverage and bolster working-class purchasing power. The Affordable Care Act, which DiSalvo dismisses as a relic of an outdated New Deal social policy regime, would almost certainly not have been passed without the political support of the Service Employees International Union. More directly, public sector labor unions have played crucial roles in local campaigns to raise the minimum wage, wielding the power and influence in local politics that DiSalvo decries in order to improve the lives of all workers.

Nor does DiSalvo’s prescription – the evisceration of collective bargaining – seem likely to result in either fiscal health or efficient and expansive public services. There is no necessary trade off between unionization and high quality public services. Some countries with the best education systems, including Japan and Finland, have strong teachers unions. Some of the states with the worst record for fiscal health and public services, like Texas, also have the most restrictive systems of public sector labor relations and civil service laws. Finally, there is simply no reason to believe that substantially reducing the pay, benefits, and legal rights of government employees would lead to increased spending on social services and government programs. Given the essential place of such unions in liberal-left coalitions in the United States, the opposite seems more likely.

Much of what we think we know about the world of modern American politics comes from an era of affluence and prosperity. It is less clear how this complicated world will function in an era of scarcity. This is an intriguing and important perspective, particularly when applied to public sector labor relations. DiSalvo is undoubtedly correct when he recognizes that the insufficient scholarly treatment of public sector labor has stood in the way of a full understanding of the role of unions in American politics and society. In an era when interest in labor history is flagging, Government against Itself is a useful reminder of the importance of the subject.

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