

## Organizing Government Employees

UNIONIZATION of government employees is the ultimate in unionization. It is the embodiment of the ideal toward which unionism is bent. That ideal, or aim, has been obscured by the quasi-religious ideology within which unions operate. The bent of unionism is to monopolize the available labor supply in an industry and to eliminate all competing laborers. By so doing, it can raise the price of labor—in wages, working conditions, and fringe benefits. But labor unions are ever being thwarted, or at least restrained, in private industry.

They are restrained by the fact that most private businesses do not have a monopoly. There are compet-

itors, both domestic and foreign, in the making and sale of most products. Even if every current producer in an industry is organized within the United States, there would still be the problem of foreign competition. Moreover, if union demands go beyond a certain point there is nothing to keep others from going into business with non-union workers. True, a new business might itself be organized, but that could be a never-ending process. There is the problem, too, of the elasticity of demand for most goods, which means that if the good in one industry is priced very high because of labor costs customers will shift to other goods. For example, if coal gets too expensive, people may shift to gas, kerosene, electricity, or wood for heating. Much of this actually hap-

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pened after World War II when the United Mine Workers drove the price of coal so high.

### A Prime Target

Public utilities represent nearly as good a target for unionization as does government. They usually have a monopoly for providing their particular services in an area. But there are still economic and political restraints on what they can pay. The demand for most goods and services provided by public utilities is not inelastic. Substitutions can be and are made. For example, when the price of electricity rose precipitately a few years ago, many people shifted to gas and other fuels for heating. Most people do consider some residual amount of electricity a necessity, so that at some point far below current use the demand for electricity may be very nearly inelastic. There is yet another economic restraint. Public utilities are generally privately owned and operated in the hope of profit. That places some restraint on what unions can effectively demand. On top of this, government controls prices that can be charged, placing limits, at any particular time, on what can be paid to labor. Thus, public utilities approach the ideal for unionization but fall short of it.

By contrast, there is very little economic restraint upon government which would hinder unions in

attaining their goals. As one book puts it:

Government is a growth industry that receives little competition from other industries; in fact, it is usually the sole dispenser of the goods and services it offers the public. Therefore, government is not faced with the market competition that characterizes the private sector of the economy. Consumers have no choice in the purchase of most government products. Usually they are required by law to pay for government services through taxes, regardless of whether they use the services. Price increases are passed along in the form of higher taxes, without fear of losing customers.<sup>1</sup>

Even when government offers services similar to those which are offered privately it rarely, if ever, competes on equal terms. The monopoly power is waiting in the wings, and the tax base is there to backstop its efforts. A good example is government activity in providing educational services. While use of the public schools is voluntary, school attendance is compulsory for children. But a private school has to compete on highly disadvantageous terms. Schools run by governments do not charge tuition but are financed with tax monies. Parents who do not send children to public school still have to pay the taxes, plus whatever it may cost to send them to private schools. Private colleges are usually at a great disadvantage in what they must charge

compared with state subsidized colleges. The tendency of government is to extend its monopoly character to whatever enterprise it enters.

### **Monopoly Leverage**

The union thrust to organization of government employees is a move to get leverage over a tax-based monopoly. It is a move to control the labor supply to government and thus to achieve union ends restrained only by political power and the limits of productivity within a nation. The political activities of unions suggest, also, that they work to remove what restraint to their goals there is in political power.

It may well be that labor unions in moving to organize government employees are sawing off the limb on which they sit. There should be no doubt they have moved into dangerous territory when they set the stage for power contests with government, a point which will be elaborated later. They have already removed much of their ideological cover by organizing government employees.

Union ideology was abstracted largely from nineteenth century socialist theory. It borrowed from socialist theory not only the notion that laborers could not get their just reward in the market but also the class struggle thesis. This thesis is essential to the classic position of labor unions. That is, unions claim

to be acting for "labor," or, in other words, the working class. On this thesis, labor is engaged in a struggle with capital.<sup>2</sup> Virtually, all the general public sympathy for unions as well as their intellectual justification depends on the acceptance of this thesis. Remove it, and labor unions are exposed for what they are: organizations of some workers to exclude other workers, organizations seeking to benefit at the expense of others, and organized to use coercion to achieve their ends.

### **A Roundabout Way to the Class Struggle Concept**

It is exceedingly difficult, if not impossible, to read the class struggle thesis into the organization of government employees. After all, government is not "capital." It is not a profit making organization, and it can hardly benefit financially by taking from the workers their "share" of the proceeds. To my knowledge, there is no economic theory, or even pseudo-economic theory, such as that of Karl Marx, which attempts to demonstrate that government profits by "exploiting" labor. As for such notions as the alienation of the worker from the product of his labor by government, there is hardly any way of conceiving what could be meant. Is the postman being "alienated" from the product of his labor when he delivers the mail? That will not compute,

as a space program robot used to say.

Of course, the class struggle thesis has long since been muted in the labor union vernacular. Most labor union leaders do not avow an explicit socialism, and, while they cannot slough off the class conflict entirely, they can and do smother it in euphemisms, such as collective bargaining, democracy, private sector, and public sector. They have kept the term "labor," but the adversary has become "management."

This last development was particularly important to unions in their move to organize government employees. Government is not "capital," or even analogous to capital, but it does have something analogous to management in private industry. That is, governments do have heads of departments, bureaus, agencies, and so on. These do direct the employment of personnel in a fashion similar to which managers in business do. While there are differences between the president of a company, say, and a superintendent of education, they are analogous at least in that they are in some fashion in charge of personnel. They are alike, too, in that they may become the focus of grievances which may arise from the people over whom they exercise control.

In any case, a major thrust to the unionization of government employees got under way in the 1960s.

There had been considerable organization already, but "During the 1960s the number of public employees who belonged to unions and associations more than doubled, increasing from a little over 1 million in 1960 to 2.2 million in 1968."<sup>3</sup> The most dramatic increase occurred in the organization of teachers. Prior to 1960 very few teachers had belonged to unions. While many teachers belonged to professional associations these were not union-like at that time. As trade unions began to gain inroads in the teaching fields, the character of the older teacher associations began to change. All this is reflected in the great increase in teachers covered by collective bargaining agreements in the 1960s. "While virtually no teachers were covered by collective bargaining agreements as of the 1961-1962 school year, a survey by the National Education Association . . . during the 1966-67 school year found 1,531 separate collective bargaining agreements covering 609,034 teachers. By the 1970-1971 school year these figures had increased to 3,522 collective bargaining agreements covering 1,337,146 teachers. . . ."<sup>4</sup> The thrust to unionization of government employees continued apace into the 1970s.

Increased unionization of public employees was accompanied by the use of union tactics, particularly the strike, against government. For ex-

ample, one writer describes city employee strikes in 1966 this way:

It was prophetic that the strike of 35,000 transit workers which paralyzed New York City twelve days began on New Year's Day, 1966. It marked the beginning of a year in which many strikes by public employees occurred across the nation. There were strikes by policemen in Detroit, firefighters in Atlanta, and teachers in New Orleans, Philadelphia, and Newark. Elsewhere, other city employees who worked on golf courses, in tax and public works departments, in sewer disposal plants, on ferry boats, and in public zoos went on strike.<sup>5</sup>

### **Government Empowers Unions**

Three developments in government preceded and accompanied the unionization of government employees and set the stage for it.

Chronologically, the first major development was the government empowerment of labor unions. The United States government empowered unions to organize and use various tactics on private employers in the 1930s. The central piece of legislation by which this was accomplished was the Wagner or National Labor Relations Act passed in 1935. Thereafter, it became incumbent on employers in the private realm to recognize and treat with unions who had the support of a majority of their workers. Collective bargaining was made mandatory to the extent that it was an unfair labor practice not to bargain in "good faith" with such

a union. In short, the federal government imposed labor unions on many employers.

In and of itself this development gave no necessary opening for the unionization of government employees. Of course, unionists might have argued that what was sauce for the goose was also sauce for the gander, but the government gander was having none of this at the time. The distinction between government and private business had been well established. Moreover, as already pointed out, union ideology provided only a justification (or argument) for contesting with private capital.

The second development did provide an opening, however, within the framework of government empowerment of and encouragement to unionization. What happened resulted in the blurring of the distinction between private and public. (Indeed, the government empowerment of unions was a step in that direction.) It was a single development with at least two dimensions. One dimension was a rapid and sustained increase of government employees. The other was government provision of many services that had hitherto been provided privately or involved large governments much less directly.

Government employment has expanded greatly in the past half century. As one writer put it, "Government employment has been rising

in absolute terms and as a percentage of the total civilian labor force. Between 1940 and 1967 the number of government employees has more than tripled. . . ." In 1940, government employees constituted 6.5 per cent of the total employed. By 1968, the figure had risen to 15.6 per cent.<sup>6</sup>

Equally as or more important, governments were performing more and more services, many of which were similar in kind and character to those provided by private business. Probably subway, street railway, and city bus systems afford the most striking example of this development. Since World War II more and more of the public transportation systems have been taken over by city governments. In many instances, workers on these systems were already unionized. The unions would have to be suppressed or recognized.

At the Federal level, the Tennessee Valley Authority shows the character of the problem. The TVA was almost from its inception engaged in producing and distributing electricity. In the course of time, it was using the various means of generation, and, in so doing, its employees were performing functions indistinguishable from those in the private power industry.

State governments, too, engage in undertakings which are similar to those of private industry. A goodly number of states own and operate

liquor stores. All states have a hand in the operation of school systems. The following are examples of other sorts of state activities:

The state of New York has long maintained a system of barge canals 525 miles in length, which it operates at public expense. . . . Harbor facilities at ocean ports—wharves, docks, warehouses and the like—are usually owned by state governments. At New Orleans a State Board of Port Commissioners . . . operates grain elevators, coffee terminals, banana conveyors, cranes, derricks, a belt-line railway, a canal, and a free trade zone. . . . Multipurpose projects including the generation and sale of hydroelectric power have been constructed by state governments in Nebraska, Oklahoma, Texas, and South Carolina. The people of Nebraska are served exclusively by public-owned electrical utilities."<sup>7</sup>

As one writer puts it, "More extensive examination of the various types of government activity would multiply the examples of the manner in which the functions which public employees perform parallel, supplement or compete with the activities of private undertakings."<sup>8</sup>

### **A History of Resistance to Unionization**

Even so, governments resisted unionization for many years; indeed, some of them still resist it in certain of its aspects. President Roosevelt, who presided over the promotion of unionization of employees

in private industry, opposed its expansion into government. So did most states well into the 1960s. Aside from the fact that government is not capital, there is a well defined rationale for not permitting government employees to unionize or, at least, to use many of the union tactics. It has been stated this way:

When an American accepts employment on a public payroll he knowingly or unknowingly accepts certain special conditions which have been judged necessary by a combination of legislative, executive, and judicial decisions. Although the nature of his task, the content of his workday, and the extent of his responsibility may vary little or not at all from that of an employee in the private sector, the mere fact that his employment is *public* alters his working conditions. He is afforded certain special benefits or protections—civil service, tenure, assurance against arbitrary dismissal, nondiscriminatory selection in hiring, promoting and receiving training—and he must accept certain obligations and restrictions—rigid pay schedules, fixed qualification standards, employment investigations, security and classification limitations, and, in some cases, prohibitions against political activity and restrictions on his freedom to deny his service.<sup>9</sup>

The above was not written as an argument against the unionization of government employees, but it does state clearly the special status of those who work for government. It provided a basis, too, for opposition to unionization.

### Major Change of Policy

The third major development was a major shift in government policy toward unionization. From opposition to it, the federal government moved toward active approval. In 1962, President John F. Kennedy issued an executive order which declared that it was the right of Federal employees to join unions.<sup>10</sup> In 1968, the United States Court of Appeals for the Seventh Circuit held that it was the right of individuals under the First Amendment to form and join unions.<sup>11</sup> This and subsequent court rulings have generally taken from state and local governments the authority to prevent the unionization of employees.

Some union tactics are still proscribed by governments. For example, the Postal Reorganization Act of 1970 "prohibits strikes, outlaws any form of union security other than the voluntary checkoff of union dues, and requires fact-finding and, if necessary, binding arbitration of collective bargaining impasses."<sup>12</sup> Most states prohibit their employees to strike, but a few permit it for certain categories of workers.<sup>13</sup>

This is the background, then, to the thrust to organization by government employees. Although there are other questions that could be asked, some of them important, I would like to restrict my discussion largely to attempting to answer two questions. First, who are govern-

ment employees organized against? Second, what does the unionization of government employees portend?

### **Organized Against the People**

On the surface, government employees who organize into unions are organized against the management within government. Or, to state it more bluntly, it could be held that such unions are organized against governments. One difficulty with this conception is that governments in the United States do not have an independent existence. They are agents or representatives of the people. Thus to be organized against government is to be organized against the people. So far as it goes, this way of conceiving the matter is valid.

But it is more complex than that. When unions succeed in getting an agreement they actually align the government with themselves, and both are in some measure pitted against others in the population. When the government is resisting union demands, it is performing its role of representing the whole populace. It is when the agreement has been reached that government is thereafter aligned with the union against the rest of the populace.

The explanation of these statements depends mainly on grasping that in certain essential features unions of government employees are like unions of private employees.

Most opponents of the unionization of government employees have focused upon differences between government and business as employers. There are differences, some of which have been noted and a most crucial one which will be taken up below, but most of the differences are of degree rather than of kind.

Unions are unions whether they are composed of government or private employees. Moreover, the impact of union tactics reaches out to affect the population generally in both cases. If unions receive higher wages from private employers, they are generally paid by consumers. (However, unless private businesses have a monopoly, or all are organized, there may be some amelioration for the consumer.) If unions receive higher wages from government, the difference is paid by taxpayers or consumers, or both.

The central point I wish to make, however, is this. Unions of private employees are not simply or most basically organized against employers. They are organized to exclude from employment those who would work for lower wages or other benefits. They are most basically organized against other would-be workers. Beyond that, they are organized against competing providers of services or goods, and consumers generally. When an employer enters into an agreement with a union, he tacitly, and, on some matters, explicitly,

agrees to act with the union against all the others. This is true whether the employer is private or governmental.

### A Contest for Power

Most of the fears about the unionization of government employees have focused on what happens when government resists union demands. Indeed, it is a fearful prospect. What would happen when union coercive tactics are pitted against government power? It could easily become civil war on some scale. Or, government might be unable to perform its most essential functions, such as providing police and maintaining order. Governments also generally perform numerous other services, such as garbage collection, whose interruption would cause great inconvenience and dangers. There is the specter, too, of the dangers inherent in any organized challenge to governmental authority.

When governments moved to recognize unions of their employees, they also generally acted to allay these fears. They have placed restrictions on the activities of unions. The most general restriction has been the prohibition against strikes of public employees. The ineffectiveness of such prohibitions is now notorious. As one writer put it, it does no good "merely to outlaw strikes of government employees by legislation or to impose harsh penalties

which management may find difficult to invoke. . . ."<sup>14</sup>

This should not have come as any great surprise. Unions have long relied upon the strike as their major means of getting what they want. As Jack Barbash said some years ago: "The strike is the union's major sanction in bargaining with employers. Approximate bargaining equality can be achieved only if the union is in a position to exercise an effective choice between working or not working, and the strike is the collective act of refusing to work."<sup>15</sup>

Jimmy Hoffa stated the case for the necessity of the strike in less elegant terms in discussions with another union leader: " 'You know how it is in the trade union movement, Sid,' he said, 'unless you can show the boss you have the strength to knock his brains in he won't yield.' "<sup>16</sup> The union man to whom these words were addressed said himself that "in the final analysis the issue was settled by power—whether the union had the muscle to close down the operation and keep it closed, or whether the company could take a long strike without pain."<sup>17</sup> While these latter remarks were made *vis à vis* strikes versus private employers, the evidence thus far suggests that unionists are intent on applying the practices to government as employer as well.

Rather than outlawing strikes, one student of the subject suggests

that "such unfavorable working conditions as might provoke strike action must be avoided and adequate machinery must be created to prevent and remove employment problems at their source."<sup>18</sup> The most basic objection to this approach lies in what might well be involved ultimately if government set out to "remove employment problems at their source." The ultimate source of employment problems is that work is onerous, inconvenient, and time consuming. There is the problem, too, that compensation is never adequate to meet one's wants. It is quite doubtful, then, that any government would attempt to remove the employment problems at their source or that employees would press quite that far. (They do press in that direction by pushing for shorter hours and earlier retirement.) Even so, there are objections to be raised to the proposals. It seems to me that the author is suggesting that the government anticipate the demands and satisfy them in advance of any action. If it did so, it would, in theory, remove the occasion for the union, a move hardly calculated to please union leaders. More important, however, such solicitude for employees would make government servile to its employees.

More important still, it would make the populace in general servile to the requirements of government employees. This brings us to

the second point, namely, that once government enters into an agreement with a union, it is aligned with the union against the rest of the populace. It is aligned with the union by agreement to pay certain wages which will be collected either through taxation or monopoly charges. It is aligned with the union by conferring benefits which are a charge to the public purse. It is aligned with the union in denying access to jobs except under conditions which the union has approved. In short, during the term of the agreement, the union and the government have entered into a pact with one another at the expense of the general public.

### **A Possibility of Union Control of Government**

What lies at the end of this trail is union control of government to its own ends. This is not a prediction of what will one day happen. Rather, it is a live possibility which can be surmised from what we do know. There are contingencies which might deflect unionism from this course, but they are contingencies only. Union goals and union tactics bend unionism strongly toward control of government policy.

Despite the claims of many unionists over the years that they believe in "pure and simple unionism," i.e., unionism with exclusively economic goals within the system that exists,

### **Dilution of Sovereignty**

THE full, supreme, and undiluted power to govern denoted by the term sovereignty is at least as vital to the existence of secure and ordered society today as it has ever been. There is no incompatibility between governmental sovereignty and pluralism; on the contrary, pluralism properly understood as meaning a proliferation of active voluntary associations could no more survive dilution of governmental sovereignty than the personal freedom and security of single persons could. Not pluralism, then, but feudalism and anarchy are incompatible with governmental sovereignty. No sovereign government can survive the introduction of private associations endowed with similar powers of compulsion and coercion. Still less can sovereign government survive the internal dissipation of its power to govern which occurs when a competing private association, armed with coercive power, draws to itself from the duly authorized government the loyalties of the very persons through whom that government must perform its socially delegated functions.

**SYLVESTER PETRO**, *Sovereignty and Compulsory Public-Sector Bargaining*

union leaders have a long history of involvement in political affairs. They have lobbied, taken public positions on issues, sought to secure legislation and to influence elections. Nor have they restricted themselves to what are thought of as primary union concerns: they have ranged over the field from foreign policy to social legislation.

We have become accustomed to that much union involvement in politics. But what portends with the organization of government employees belongs in a different dimension. Union tactics provide the means of

bringing government to its knees when the crucial employees have been organized. If the police and military forces were organized, they would be in position to extract from those who governed what they—their leaders or a substantial number of their members—wanted. The threat alone of a strike, the establishment of picket lines, the refusal either to obey their superiors or to allow replacements to be hired, would ordinarily be sufficient to get much of what they wanted. It is to be remembered that when unions contend it is a contest of strength

with their adversaries. The strength of the government would be largely taken away in advance when the police struck.

### A Transfer of Loyalties

Unionism as an ideology and a movement aims to wrest the loyalty of the employees away from the employers and vest it in the collective. It tends also to invoke obedience to the union leaders. This is so whether the union is composed of employees in private industry or in government. So far as the unions succeed in this effort they are apt to be disruptive in private industry but subversive of government. After all, government is entrusted with great power, power which it can only wield responsibly and limitedly because of the loyalty of the employees.

The reality in the United States has usually been limited loyalty of most union members to the union and divided loyalties. It is this, finally, that restrains union leaders. The limited loyalty to unions that has existed has been, in part at least, due to conditions that prevailed before governments aligned themselves with unions. Government limited the compulsive power of unions; it gave to the union member a measure of independence. That condition still prevails to considerable extent. But it is threatened by the organization of government employees. ☉

### —FOOTNOTES—

<sup>1</sup>Michael H. Moskow, J. Joseph Loewenberg, and Edward C. Koziana, *Collective Bargaining in Public Employment* (New York: Random House, 1970), p. 15.

<sup>2</sup>See Clarence B. Carson, "An Ideology for Unions," *The Freeman* (February, 1980), pp. 115-18.

<sup>3</sup>Lee C. Shaw, "The Development of State and Federal Laws," *Public Workers and Public Unions* (Englewood Cliffs, N.J.: Prentice-Hall, 1972), p. 20.

<sup>4</sup>Frederick R. Livingston, "Collective Bargaining and the School Board" in *ibid.*, p. 63.

<sup>5</sup>Robert E. Walsh, "The Question," *Sorry . . . No Government Today: Unions versus City Hall*, Robert E. Walsh, ed. (Boston: Beacon Press, 1969), p. 1.

<sup>6</sup>Moskow, *et. al.*, *op. cit.*, p. 10.

<sup>7</sup>Clair Wilcox, *Public Policies Toward Business* (Homewood, Ill.: Richard D. Irwin, 1960), pp. 805-07.

<sup>8</sup>Sterling D. Spero, *Government as Employer* (Carbondale, Ill.: Southern Illinois University Press, 1948, 1972, New Preface), p. 7.

<sup>9</sup>John W. Macy, Jr., "The Role of Bargaining in the Public Service," *Public Workers and Public Unions*, *op. cit.*, p. 7.

<sup>10</sup>Harvey L. Friedman, "The Role of the AFL-CIO in the Growth of Public Sector Employee Collective Bargaining," Walsh, *op. cit.*, p. 28.

<sup>11</sup>Shaw, *op. cit.*, p. 21.

<sup>12</sup>*Ibid.*, pp. 24-25.

<sup>13</sup>See *ibid.*, pp. 33-34.

<sup>14</sup>William B. Vosloo, *Collective Bargaining in the United States Federal Civil Service* (Chicago: Public Personnel Association, 1966), p. 35.

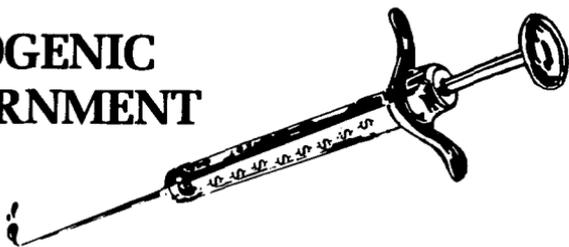
<sup>15</sup>Jack Barbash, *The Practice of Unionism* (New York: Harper & Bros., 1956), p. 213.

<sup>16</sup>Sidney Lens, *Unrepentant Radical* (Boston: Beacon Press, 1980), p. 148.

<sup>17</sup>*Ibid.*, p. 207.

<sup>18</sup>Vosloo, *op. cit.*, p. 35.

# IATROGENIC GOVERNMENT



THIS past May, Mount St. Helens erupted in the Pacific Northwest. Almost simultaneously, at the other extremity of our contiguous states irate blacks erupted in violent demonstrations; 14 people perished and many buildings burned. Although the immediate cause was largely local in nature, the underlying conditions in Miami so closely resemble those in other urban cores that many people predicted more widespread death and devastation. Later events in Orlando and Chattanooga proved that these fears were not entirely unfounded.

That our cities are sick is surely no news to anyone who has seen their graffiti-smearred stores and garbage-strewn streets. The disease is chronic, the decay corrosive. The problems exceed the aesthetic: the demoralizing effects on the urban inhabitants defy denial.

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Two needs seem especially urgent. We must (1) increase job opportunities and (2) improve living conditions. To achieve these ends, many public leaders insist on getting additional federal financial assistance.

But these two particular problems have another, superior solution, one that will relieve the federal government from having to butter up to cities just when Americans perceive a greater need for more guns. It will also not place further inflationary stress on our sadly ailing economy.

Instead of spending more, the government could simply regulate less. In fact, certain regulations intrude catastrophically in both these urgent areas.

One lethal regulation is the legal minimum hourly wage. In January 1981 it rises to \$3.35. Any worker whose productivity is less than that will no longer be worth hiring. Many urban youths, lacking skills and experience, could not get jobs at the