

Feb 27, 2011

Wisconsin tiff overshadows bigger issues

The standoff pitting organized Wisconsin state workers and their Democratic Party patrons against an overreaching GOP governor has been nothing if not entertaining. In New York, when the police go door-to-door in search of state legislators, as law enforcement in the Badger State have, it is usually to carry out arrest warrants or serve some other public good. Wisconsin does it for political theater and partisan politics. New Yorkers have their own troubles, including a \$10 billion budget deficit, and their own set of hard choices, including proposed multi-billion cuts to schools and health care, and negotiations with organized labor aimed at saving billions of dollars or, in the alternative, laying off thousands of workers. New York also wrestles with a marquee policy decision — whether to cap annual property tax increases at 2 percent — that is likely to have repercussions in the classroom and local governments long after the Wisconsin mess has been concluded.

But we are transfixed nonetheless. Wisconsin has touched off an important nationwide discussion about public-employee salaries and benefits. In a far more limited way, it also has prompted fresh discussion about the shrinking middle-class and their future, against the backdrop of recession, scant growth in real wages and growing income inequality. Regrettably, the drama has not shed one bit of light on a more important discussion about employment, one started by President Obama in his State of the Union address a month ago. He talked about preparing American workers for the jobs of tomorrow — by investing in education, infrastructure and energy independence. "Win the future" — what Obama called it — has given way to red herrings in Wisconsin.

A public fight

New Republican Gov. Scott Walker, dealt the same lousy budget cards as governors throughout the nation, has used a budget shortfall to force sharp economic concessions from public-employee unions not in his political corner.

For good measure, he also seeks to strip away collective bargaining rights for most state workers. No doubt many Americans at week's end were rooting for the Wisconsin State Police, who were dispatched Thursday to smoke out lawmakers boycotting a vote — as well as a quorum in the Senate — on the union-busing legislation. In terms of job losses, furloughs and other economic harm, private-sector workers have suffered far worse than public-sector workers during the Great Recession — though public employees everywhere are feeling the late-arriving effects of school, state and local government budget woes.

Times are tough

Along the same lines, private-sector workers and many taxpayers continue to suffer from benefits envy — *thanks in no small part to the private-sector worker's limited leverage.*

According to the Bureau of Labor Statistics, 20 percent of private-sector workers have pension plans; among public-sector workers, the figure is nearly 80 percent. In New York, true-life stories of government workers receiving six-figure pensions, sometimes while also earning public salaries, further poison the public mood — even if the average annual pension for non-uniform workers is around \$14,000.

Public-sector employees are likelier than private-sector workers to have health insurance; they also contribute less toward their coverage. By most accounts, public employees on average earn a bit more than their private-sector counterparts; they also happen to be better educated than the general public. (In Wisconsin, some 60 percent of state workers have a bachelor's degree, compared with about 20 percent in the private sector.)

In any case, no matter how things add up, the Wisconsin workers will likely have to lose something, no matter how long the Democrats stay away. Times are tough all over.

That, however, shouldn't mean they lose everything. Most opinion surveys have a solid majority of Americans in the workers' corner, at least with respect to collective bargaining. They recognize the merit of such protections and would leave them undisturbed.

Now, if only we could return to the bigger discussion about jobs, innovation and opportunity; that's the discussion that will help most of us in the long run.

A Journal News editorial