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YOUR VIEW

Abusing taxpayers through the years is a bipartisan effort

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How did it happen that real estate taxpayers are so abused and beleaguered? How did it happen that our cities, counties and states are nearly all on the verge of bankruptcy?

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Well, it's not too hard to understand, and it is definitely time for taxpayers to understand and to begin to react to their sorry plight with actions. What's going on — and it is bad — has been going on for 40 years with increasing intensity. The problem — simply but directly put — is that the same people who are preeminently involved in electing our municipal and state officials are in large measure the beneficiaries of out-of-control public expenditures.

In short, the politically active public employee unions elect mayors, county executives and state senators and representatives, who then turn around and rig the system in favor of the public employee unions.

Fifty years ago, the social contract was that public employees were paid equally or a little less than private employees in exchange for lifelong security. Nowadays, according to studies by the Cato Institute, public employees earn about 50 percent more than private employees and have unbelievable retirement benefits. What's going on right now is unsustainable. Governments are being driven to bankruptcy, and they are taking the poor real estate taxpayers with them.

Forty years ago, I was president of Allentown City Council. It was a learning experience. When the first union contract negotiation came up, the union asked three times what was reasonable or what the city could afford to pay. We told them so. Their answer: Don't worry, just pay us the one-third of our demand that you're able to pay and put the other two-thirds into retirement and pension benefits. I asked what difference does that make because the taxpayers would still be paying three times what they should. They said, don't be silly, Charles. You'll only be paying what you want to pay, and the other two-thirds will have to be paid by some other city council long after you have left office. So I immediately checked Allentown's unfunded pension liabilities and found them to be enormous. I campaigned with the Legislature to require that cities and counties should be forbidden to have unfunded pension liabilities, but they still do.

As long as small segments of the electorate are so highly motivated by such narrow self-interest and as long as the taxpayers don't pay attention, that's how long our poor taxpayers will be abused.

The three most powerful groups influencing our Legislature are the tort lawyers, the teachers union and the public employee unions. They care, because they are feathering their own nests. Why aren't the taxpayers

better treated? Because the taxpayers are not paying enough attention to whom is elected and why.

The Legislature rewards the self-interested groups that are politically active on their behalf by legislating the way the tort lawyers, the teachers union and the public employee unions want. The laws governing labor disputes for municipalities are rigged by the Legislature in favor of the public unions. The arbitration rules are a joke. Our Lehigh County executive unionized Cedarbrook without even a vote.

Nor is this a partisan problem. The Democrats are nearly unanimous supporters of this rape of the taxpayers, but many Republican legislators have been co-opted as well. Watch their votes. A legislator simply can't be in the pocket of the public employees unions and on the taxpayers' side at the same time.

Does this mean I don't believe in unions? No. I do believe in unions. But in business the managers have an interest in keeping the business from going bankrupt so they're willing to take a strike or whatever is necessary to save the business. Mayors and county executives have no such compunctions. They know the unions elect them and they serve the unions in exchange.

When will this change? Not until the taxpayers start paying attention. Not until the legislators in Harrisburg and the elected officials in Lehigh County and Allentown get the message on Election Day that they should be serving the taxpayers and not their unions.

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