## Roundup: Historians' Take

# Joseph A. McCartin: Convenient Scapegoat: Public Workers under Assault

#### Source: Dissent Magazine (2-24-11)

[Joseph A. McCartin teaches history at Georgetown University, where he directs the Kalmanovitz Initiative for Labor and the Working Poor. His book on the PATCO strike, Collision Course: Ronald Reagan, the Air Traffic Controllers, and the Strike that Changed America is forthcoming from Oxford University Press.]

"WE MAY, at long last, have a way to liberate our nation from the domination of those who should be our public servants but instead are frequently our union masters." Conservative commentator and pollster Dick Morris wrote those words after the 2010 congressional elections. A quick glance at recent headlines, editorial pages, blog posts, and government initiatives indicates why Morris was so excited. A powerful wave of opposition against public sector unions is now taking shape, strengthened by Republican control of the federal budget-setting process in the House of Representatives, which is likely to stifle further aid to hard-pressed states and cities. These circumstances are setting up 2011 to be the worst year for government workers since collective bargaining first came to government a half-century ago.

If partisan conservatives such as Morris and his friends were all that public sector unions had to worry about, the situation would be difficult enough. But a growing bipartisan consensus, which stretches from New Jersey's Republican governor Chris Christie to New York's Democratic governor Andrew Cuomo and includes mainstream publications such as the Economist and the Atlantic, seems to have concluded that states and municipalities have been too generous with their employees, and that union contracts are a prime cause of the recent surge in government budget deficits. There is increasing talk of trimming pensions, benefits, and salaries for public sector workers and enacting laws that curb union political influence. "At some point," argues Christie, "there has to be parity between what is happening in the real world and what is happening in the public-sector world." Such arguments clearly resonate with voters. Recent polls have found both a significant drop-off in public support for government-employee unions over the past year and a rising level of passion among union opponents.

#### A Consensus Versus the Facts

Two widely shared misperceptions are helping to drive this shift of opinion. The first holds that public sector workers now earn more on average than their private sector counterparts, making them what Indiana's Republican governor, Mitch Daniels, calls "a new privileged class in America." The leading candidates for the 2012 Republican presidential nomination have helped promote this view. "Average government workers are now making \$30,000 a year more than the average private-sector worker," declares Mitt Romney. "It used to be that public employees were underpaid and over-benefited," adds Tim Pawlenty. "Now they are over-benefited and overpaid compared to their private-sector counterparts." The second perception is that collective bargaining contracts have been major contributors to the growing budget deficits of the states, a view promoted by Chris Edwards, the director of tax policy studies at the Cato Institute.

Although there are arguably instances in which discrete groups of government workers have won benefits that are difficult to justify over the long run, the general perceptions that public sector workers

are overcompensated as a group and that their contracts are the driving force behind government deficits are simply wrong. At first glance, aggregate data from the Bureau of Labor Statistics make it appear that public employees earn more on average than private employees. But the gap disappears completely when one compares similar workers in each sector. Government workers are slightly older and much better educated on average than private sector workers. Indeed, as John Schmitt of the Center for Economic and Policy Research and Jeffrey Keefe of Rutgers University point out, the supposed public sector wage premium turns into a wage penalty for government work if we control for workers' age and education. Government workers are on average about four years older, more likely to possess a college degree, and nearly three times as likely to hold an advanced degree as private sector workers. Once one moves beyond aggregate figures and begins to compare public and private sector workers with similar degrees of education and experience the allegation that government workers are somehow privileged falls apart. Indeed, a 2010 study published by John Schmitt found that government workers earned on average 4 percent less than private sector workers who possessed similar characteristics....

Posted on Thursday, February 24, 2011 at 12:07 PM

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