

In Confronting Unions, Walker Further than Reagan

by Ivan Osorio on June 6, 2012

When Wisconsin Governor Scott Walker first put forward his public sector labor reform, organized labor and its allies tried to portray the legislation – especially its provision limiting collective bargaining — as extreme. One interesting approach in that regard is to compare Walker's showdown with his state's government unions with President Ronald Reagan's handling of a labor dispute with the now-defunct air traffic controllers union, the Professional Air Traffic Controllers Organization (PATCO).

In August 1981, with Reagan in office only a few months, PATCO launched an illegal strike. In response, Reagan gave PATCO members 48 hours to return to their jobs or face firing, and then followed through on that promise. PATCO was severely hobbled and did not last long after that.

A conservative president who brought down a once-powerful union seems hardly seems like someone unions and their allies would want to cite favorably. But in a new history of the PATCO strike, *Collision Course: Ronald Reagan, the Air Traffic Controllers, and the Strike that Changed America*, Georgetown historian Joseph A. McCartin does just that. In the book's final chapter, McCartin tries to use those events from 1981 as a lens through which to interpret labor policy debates today. While he makes some interesting points, it led at least this reader to a different conclusion than he probably intended.

PATCO might have been able to win significant concessions had its leadership not decided to go out on what turned to be a suicidal strike. As I note my <u>review</u> of the book in the current issue of <u>*Cato Journal*</u>:

Hoping to avert an air traffic shutdown, Reagan gave his negotiators relatively wide latitude. Transportation Secretary Andrew "Drew" Lewis presented PATCO with an generous offer. "Never before had the government offered so much in a negotiation with a federal employees' union," notes McCartin (p. 262). Had PATCO taken this offer, it would have won. So what happened? PATCO's leadership sold the deal badly to members, many of whom contrasted it to the union's original outlandish demands. Momentum in favor of a strike had been building up among PATCO members.

Reagan drew the line at an illegal strike. Even worse for PATCO, other union leaders were stunned by strike. They thought it reckless. Other unions publicly stated their

support for the striking controllers but did little else. The FAA had prepared well for the strike: supervisors, military controllers, and new hires handled reduced traffic. The airlines agreed to reducing traffic in exchange for a delay in airline deregulation. The strike put deregulation on hold, giving the airlines a respite from intense competition and more time to plan for the post-deregulation era.

Had PATCO gotten its way, its success would have set a very bad precedent that would have emboldened other government employee unions to make ever greater demands on the public purse. But ultimately, PATCO's collapse only slowed down the growth of public sector unions, which have become a permanent lobby for bigger government.

That's because Reagan's main goals were to keep the nation's air traffic flowing and to prevent a large number of government employees from flouting the law with impunity, not remake labor relations within the the Federal Aviation Administration (FAA). "Reagan had not set out to 'drop a bomb' on PATCO," notes McCartin. "Unlike Walker, he had negotiated with the union and only drew the line at condoning an illegal strike." (p. 366)

Following the strike, the FAA kept its monopoly on air traffic control. It also kept its monopsony on air traffic controllers' labor — short of leaving the country or joining the military, air traffic controllers couldn't take their services elsewhere. Years later, PATCO had been effectively replaced by another union.

Walker's reforms, on the other hand, are structural in nature. By giving government employees the choice of whether to join, they've altered they've shifted power away from union leaders and toward individual workers. And by curtailing collective bargaining, they've shifted power away from unions and back toward taxpayers.

McCartin states, "By 2011 it was becoming difficult to remember that there was once a time when the right to organize and bargain collectively had enjoyed a significant measure of bipartisan support in the United States." (p. 366) Yet that is precisely what made Walker's reforms so needed. Years of politicians acquiescing to government union demands have led to large budget shortfalls for state and local governments across the nation.

Thankfully, however, McCartin's analysis is in the final chapter and thus doesn't interfere in the reading of the history of the PATCO strike — an often gripping story that features surprising events, some colorful characters (including PATCO's first legal adviser, renowned lawyer F. Lee Bailey), and good deal of drama.

My review of *Collision Course* is here.

For more on public sector unions, see here and here.