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The following information was released by the Capital Research Center:

The AFL-CIO has a new president. Richard Trumka, the former secretary-treasurer, was unanimously approved as head of the labor federation at the annual convention, held in Pittsburgh this September, to replace long-time President John Sweeney. According to National Legal and Policy Centers Union Corruption Update, when Trumka headed the United Mine Workers, he gave the green light to UMW members committing acts of violence. In 1993, during a multi-state UMW strike by some 17,000 workers, he explicitly called for beating up mine operators and non-striking employees.

In October, the Washington Examiner reported that Montgomery County, Maryland, had suspended its tuition assistance program for municipal workers because of some of the more exotic expenditures. Tuition assistance was supposed to fund classes relevant to workers jobs but ended up funding Spanish lessons in Costa Rica for fire department employees, yoga sessions, bagpipe and drum camp in North Carolina, and a glass-fusing art class. Union officials protested the programs suspension, blaming County Executive Ike Legget and other officials for the lack of oversight.

Ten percent, here we come? That was the upshot of the September employment report from the Bureau of Labor Statistics. American unemployment stood at 9.8 percent after 263,000 jobs were lost since August. Heritage Foundation analysts Rea Hederman and James Sherk wrote, Every aspect of the labor market in September was negative, including the lowest [labor force participation] rate in 25 years and a male unemployment rate of 10.3 percent, the highest level since the Great Depression.

In late September, the **Cato Institute** issued the paper Vallejo Con Dios: Why Public Sector Unionism Is a Bad Deal for Taxpayers and Representative Government. The authors were former Labor Watch editor Ivan Osorio, Public Service Research Foundation President David Denholm, and Don Bellante, economics professor at the University of South Florida. It used as a case study the city of Vallejo, California, which was forced to file for bankruptcy protection because of an impossibly high public unions-negotiated payroll. Among the reports findings:

- *Private sector unions are good at not killing the golden goose. The same doesnt apply to public sector unions. This is because bankrupt companies can go away but bankrupt governments tend to stick around, and need just about as many workers.
- *Public sector unions are very good at challenging layoffs, furloughs, and other cost saving measures in court. In an economic crisis, these legal challenges can be extremely costly.
- *Public sector unionization creates a wage ratchet that is difficult to reverse. Police and fire departments have mandatory binding arbitration in their contracts, which allow arbitrators to impose higher wages on struggling governments. It also creates a large constituency for pay raises that local governments tend to pander to while times are good.

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*California is the place where public sector unions have caused the most pain but people in other states shouldnt get cocky. The authors warn, In public sector collective bargaining agreements across the nation, the conditions that led to the mess of Vallejo have been baked into the cake.

How baked, precisely? On October 6, Detroit Mayor Dave Bing gave the cash strapped citys large municipal unions 30 days to accept contracts with 10 percent pay cuts or risk the city imposing terms unilaterally. Well see how that works out.