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THE FINAL WORD

Ending forced unionism creates more prosperity

Making Michigan right-to-work would increase jobs

BY LAWRENCE W. REED

Compuware Corp. Chief Executive Peter Karmanos stirred the discussion about reviving the state's economy last week by emphatically urging that Michigan become a right-to-work state. Perhaps no single action would do more to resuscitate jobs and income.

Until now, compulsory unionism was the elephant in the room that few leaders — business or political — mustered the courage to acknowledge. But Karmanos has done that. Right-to-work doesn't make unions illegal. It simply means that no worker can be compelled to join or pay dues to a labor organization as a condition of employment.

Changing the law empowers individual workers with a choice, which makes union leadership more accountable. Union leaders, addicted to compulsory dues dollars, dislike the idea, but both labor trends and opinion polls show strong and growing support for it.

Change helps Idaho prosper

Idaho voters adopted right-to-work by a decisive margin in 1986. Unions poured in a fortune to demonize the proposal, declaring that it would pulverize the standard of living. Idahoans saw through the propaganda and ushered in an era of prosperity that continues today.

Before 1986, Idaho was growing at a rate more than 3 percent below the national average. Since becoming right-to-work, the state has been one of the fastest growing. Its per capita personal income forges ahead at a rate more than 8 percent higher than the nation's.

Oklahoma's experience mirrors Idaho's. Prior to becoming the 22nd right-to-work state in 2001, Oklahoma's personal income grew at about the same rate as the U.S. average. In the five years since, it has grown 35 percent faster.

"The state unions are very powerful ... and they are, as far as I'm concerned, fiscally irresponsible."

PETER KARMANOS JR.
Compuware Corp. chief executive

Idaho and Oklahoma are not anomalies. Seven of the eight states that experienced nonfarm employment growth of 3 percent or more in 2006 were right-to-work states. And between 1970 and 2000, manufacturing employment grew by 1.43 million jobs in right-to-work states, but declined by 2.18 million in non-right-to-work states.

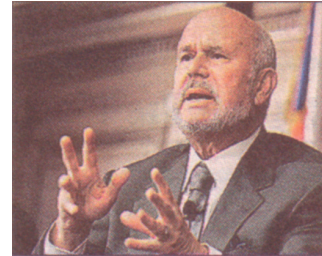
The bottom catches up

Right-to-work opponents say Michigan would become "an Alabama" if we end compulsory unionism. It's true that Alabama's per capita income is lower than Michigan's, but Alabama is catching up fast.

If the trends in both states continue, per capita income in Alabama will exceed Michigan's in just three years. By 2016, residents in that right-to-work state will be earning \$5,288 more than Michiganders on average.

George Mason University economist James Bennett showed in the 1990s that when adjusted for the cost of living, average incomes in right-to-work states were already comparable with or, in some cases, even higher than incomes in compulsory union states.

Union leaders argue that under right-to-work they would have to represent those workers who opt not to join a union. But that's a "burden" they apparently embrace. Every time a bill is introduced in Congress to allow non-union workers at a unionized



Karmanos

work site to represent themselves, union leaders go all out to defeat it. The only thing those leaders have to fear is the free choice of the workers they claim to be in business to help.

The nature of work is being transformed — away from monotonous assembly-line jobs that sometimes invite union intervention and toward more independent, flexible, creative and individualistic work that makes anachronisms of punch clocks and picket lines.

Unions 'fiscally irresponsible'

Most unions are widely perceived precisely as Karmanos termed them — "fiscally irresponsible" — and as old-fashioned, high-cost barriers to worker entrepreneurship and upward mobility in an increasingly competitive world economy. That's a big reason why barely 7 percent of private-sector workers nationwide belong to unions, half the rate of Michigan's shrinking work force.

If the Legislature and the governor will not fix the fundamentals of Michigan labor law, perhaps the voters should do it for them as they did in Idaho and Oklahoma. That would send a powerful message that Michigan trusts the free choice of its workers and is again open for business.

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