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An Inspiration and a Warning From Michigan

The state's turn to worker freedom shows the waning influence of Big Labor.

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News that Michigan became the nation's 24th right-to-work state on Tuesday produced surprise in liberal and conservative circles alike. But this tectonic shift is no surprise to us. It's the result of nearly a quarter-century of advocacy that shows how the politically improbable can become politically inevitable.

Unions ruled the legislature here for decades before free-market activists, the Mackinac Center's first president Lawrence Reed chief among them, began challenging their hold over the powers that be. Eventually, the tide began to turn, and in 1995 the Detroit Free Press, the state's largest newspaper, agreed to publish an op-ed by Mr. Reed asking, "Should workers be compelled to join a labor union to hold their jobs?"

Over time, brave workers like UAW member Terry Bowman, president of Union Conservatives, stood up and demanded a choice. The West Michigan Policy Forum and Michigan Chamber of Commerce added their voices and influence to the cause. Americans for Prosperity marshaled activists.

But it wasn't until Big Labor attempted to amend the state constitution last month that voters had a public conversation on union influence. Voters rejected by 15 points an amendment that would have outlawed right to work and given government unions effective veto power over the legislature. The people having spoken, right-to-work legislation was prepared as Rep. Mike Shirkey and Sen. Pat Colbeck, both Republicans, made the case to fellow lawmakers.

Union opposition to the bill was fierce, though not as widespread as expected. The thousands of protesters who showed up at the capitol on Tuesday were mostly well behaved, but some were loud and intimidating. A group of anti-right-to-work protesters tore down an Americans for Prosperity hospitality tent outside the capitol. Inside, on the floor of the Michigan House of Representatives, Democratic Rep. Doug Geiss threatened: "There will be blood. . . . There will be repercussions."

In response to the opposition's scare tactics and misinformation, Gov. Rick Snyder repeatedly said that the bill he signed into law on Tuesday is "pro-worker," and he is correct. Right to work does not change any aspect of collective bargaining



Gov. Rick Snyder at a news conference on the right-to-work law on Tuesday.

other than preventing employees from getting fired for choosing not to join or remain in a union and pay union dues or agency fees, which may go toward political causes they don't support. Collective bargaining still exists in right-to-work states, and workers are of course free to organize.

Michigan's right-to-work law has sent a message that is both a warning and an inspiration to other states. The inspiration comes to the supporters of worker freedom that if Michigan can give union members a choice, so can they. The warning comes to its neighbors that Michigan is open for business. Gov. Snyder cited interstate competition as a main reason to pass right-to-work legislation, and again he was right.

Neighboring Indiana became a right-to-work state on Feb. 1. Since the start of the year, the Hoosier State has welcomed many new employers and added 43,300 jobs, while Michigan has lost 7,300. One example is Caterpillar, which announced shortly after Indiana's decision that it would move its London, Ontario, plant to Muncie. Indiana Gov. Mitch Daniels told Fox News two days after he signed right to work into law that his phone "began literally ringing yesterday afternoon with companies wanting to come to our state."

Indiana is not alone. Between 1980 and 2011, total employment in right-to-work states grew by 71%, while employment in non-right-to-work states grew 32%. Sadly, employment in Michigan increased just 14% during that time. Since 2001,

right-to-work states added 3.5% more jobs, while other states decreased by 2.6%. Similarly, inflation-adjusted compensation grew 12% in right-to-work states, but just 3% in the others.

Nowhere is this growth needed more than in the Great Lake State, home to the Detroit Three auto companies. While auto manufacturers such as Toyota have thrived in southern right-to-work states, Chrysler, GM and Ford have famously struggled in the forced-unionism states of the Midwest. UAW demands have harmed these companies, helping drive two into bankruptcy and government bailouts while eviscerating union jobs. Since 2001, union membership in Michigan is down by one-third, or about 300,000 members, many of them bled from the auto industry.

Michigan was the only state to lose population in the first decade of the new millennium. Unemployment was 9.1% in October of this year (the latest figures available). Union membership is worth little if there are no jobs to fill.

Right to work can help reverse our loss of young people. Between 2000 and 2011, right-to-work states experienced an increase of 11.3% in the number of residents between the ages of 25 and 34, according to the Census Bureau. Other states barely increased by 0.6% in the same period.

Michigan's turn to worker freedom shows the waning influence of Big Labor. Until this year, the last state to enact right to work was Oklahoma in 2001. Yet in 2012, two states in the union-dominated Midwest gave their workers the choice of whether they would or would not pay dues or agency fees to a union. Other states will most likely follow. And with each state that changes, the next will become easier.

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