



Representing Wayne State Faculty and Academic Staff

# NEWSBRIEFS

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## The Time is Now! Whose Side Are We On?

Charles Parrish, AAUP-AFT President

Former Speaker of the U.S. House of Representatives Tip O'Neill once said that "All politics is local..." In the current times, we have to add "...except when it is national."

Today, there is a national movement funded by conservative forces including the billionaire Koch brothers, who are represented nationally by Americans for Prosperity, with a Michigan Office headed by Scott Hagerstrom, that is attacking the public sector and trying to stamp out collective bargaining whenever possible. Hagerstrom has announced that the purpose of his organization is to take "unions out at the knees so they don't have the resources" to fight battles over governmental policy. ([http://www.sourcewatch.org/index.php?title=Scott\\_Hagerstrom](http://www.sourcewatch.org/index.php?title=Scott_Hagerstrom))

Americans for Prosperity and their allies have been especially active in Wisconsin and Ohio. In Wisconsin, Governor Scott Walker has gotten through the Legislature a bill abolishing almost all public-sector collective bargaining. In Ohio, Senate Bill 5, now signed by Governor John Kasich, virtually ends bargaining rights for 400,000 teachers, public employees and higher-education faculty members. It will shortly become law in that state unless a ballot initiative overturns it in the next election.

Now it's Michigan's turn. Governor Snyder's legislative program is not only a giveaway to business at the expense of students, workers, and the

middle class, it is a sledge-hammer attack on the collective-bargaining rights that protect our working conditions, salaries, and benefits. Further, it is an attack on the funding of higher education in Michigan, leaving us to decide which programs to cripple or kill in our university.

It is time to lift our sights from the "local politics" of our day-to-day lives at the university. It is time to protect education, collective bargaining, social services, and the public sector in general from the slash-and-burn manias that now dominate in Lansing, in other state capitols, and in Washington.

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### The Attack on Local Democracy

Rachel Maddow of MSNBC recently presented a short (11-minute) analysis of the national campaign against collective bargaining and the public sector that the billionaire Koch brothers and their allies have been funding. Governor Snyder's Emergency Manager program in Michigan is her example.

The clip of her segment dealing with this right-wing campaign is on our website's home page and can be seen at: <http://michiganmessenger.com/47174/maddow-on-the-emergency-financial-manager-bill>. While some of the broader implications raised by Maddow and her guest, author Naomi Klein, can

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be debated, the basic thrust of the show is completely convincing: we face a national movement to defund the public sector and abolish collective bargaining that is going to have grave implications for democracy in Michigan and by extension, Wayne State University and other public institutions in our state (see: <http://motherjones.com/politics/2011/03/michigan-snyder-mackinac-center>).

Governor Snyder has signed the Emergency Manager law that may see local democracy abolished in many Michigan cities and school districts. When the Governor determines that a local unit of government is in a financial emergency, he can appoint an Emergency Manager (EM) to take over the locality and wield unfettered power over its affairs. The EM can fire local elected officials, break contracts and reassign them to different firms without competitive bidding, sell public assets to whomever for whatever price, eliminate services--even eliminate whole cities or school districts without any public input. The EM will be responsible only to the Governor and not to locally elected officials.

The power to abrogate signed agreements is not limited to collective bargaining, but extends to all contracts. In a country that reveres the sanctity of contracts, this legislation is radical. Republican State Senator Jack Brandenburg said, approvingly, that this was equivalent to "financial marshal law." Treasury Secretary Andy Dillon is presently training several hundred potential EFMs for deployment in Michigan in the next year or so. (CBS News Online: [http://www.cbsnews.com/8301-503544\\_162-20042299-503544.html](http://www.cbsnews.com/8301-503544_162-20042299-503544.html).)

Michigan's finances are in dire straits partially by design. Snyder wants to abolish the Michigan Business Tax (MBT) and replace it with a corporate income tax that exempts many businesses and generates far less revenue. Presently, nearly 137,000 businesses pay the MBT. Snyder's proposal would cut the number of businesses subject to the new 6% tax by more than 95,000, a 70% decline that leaves only 41,000 businesses paying the new levy. (Crain's Detroit Business, March 14-20, 2011.)

Presently, Michigan businesses paying the

MBT account for 11% of Michigan's tax revenue. That figure will fall to 4.3% under Snyder's proposal. Individual income taxes that now account for 31% of tax revenue will be raised to 41% in the future. (Crain's Detroit Business, March 14-20, 2011.)

The shortfalls caused by the abolition of the MBT is to be made up in Snyder's proposals with a new tax on pensions, the abolition of the Earned Income Tax Credit now available to the working poor, and budget reductions that include a 22% cut in support of higher education (15% if universities limit their tuition increases to 7% or less).

The Governor has called this "shared sacrifice," but the sacrifice will be primarily "shared" by students paying higher tuition at state universities, by senior citizens paying new taxes on their pensions, and by the working poor losing the Earned Income Tax Credit. With the accompanying cuts in

support for K-12 education and cuts in revenue sharing for local governments, it becomes all the more likely that many cities and school districts will fall under the "marshal law" of the governor's Emergency Managers.

As a political scientist I recognize all too well that democracy has many faults and that it does not guarantee sound policy decisions or always choosing the best leaders. But I accept, and believe in, Churchill's statement to the House of Commons in 1947 that, "Democracy is the worst form of government, except for all those other forms that have been tried from time to time." If we want to keep our democracy in Michigan, we need to oppose those who would silence the voice of citizens at the local level.

### Abolishing Collective Bargaining

Governor Rick Snyder has publicly said that Michigan is not like Wisconsin and that he is not opposed to collective bargaining. His actions indicate otherwise. He has already abolished collective bargaining with the union representing 17,000 state-subsidized home child-care providers, and plans to cut their wages by 25%. His Emergency Manager bill threatens collective bargaining on a case-by-case basis, avoiding the state-wide confrontation that Governor Walker provoked in Wisconsin, but promot-

***"Presently, Michigan businesses... account for 11% of Michigan's tax revenue. That figure will fall to 4.3% under Snyder's proposal."***

ing the same outcome in each city or school district he targets.

He has said that he is not pushing for so-called right-to-work legislation that weakens unions, but he has not said that he will refuse to sign such legislation (along with the other 30-plus anti-collective bargaining bills that have been introduced) when it reaches his desk.

Snyder has also made it clear that he does not want to see the same type of demonstrations in Lansing that have occurred in Madison. He has told the press that once people get used to his legislation the protests will die down. He is mistaken.

### Which Side Are We On?

On March 16th a number of us participated in the rally sponsored by the Michigan AFL-CIO in Lansing. There was a turnout of thousands of union members and their sympathizers. It was addressed by Mark Gaffney, President of the Michigan AFL-CIO, Bob King, President of the United Automobile Workers, David Hecker, President of AFT Michigan, and other community leaders. The message was simple: we're against the Governor's proposals, they are unfair and need to be rethought and redone.

The energy of the crowds that have been appearing in Lansing and elsewhere in the state needs to be channeled into support for a new approach to government, one that includes not only belt-tightening, but also increased revenue.

Times are hard and 10% of the state workforce is unemployed, plus another 5% are discouraged and have given up looking for jobs. But 85% of Michigan's workforce is employed, and many are capable of paying reasonable and fair taxes to support public services. And there is no reason for Michigan businesses to get the massive tax break proposed by Governor Snyder except that they want it, and he wants it for them.

There are serious problems with the state's revenue structure. Our income tax is not based on ability to pay, but is regressive, taxing the working poor at the same flat rate as wealthy executives. The sales tax is also regressive, taxing low-income families living

hand-to-mouth at the same percentage as upper-income consumers with money to spare. Under the Governor's proposal the vast majority of Michigan businesses will not pay any income tax, including the rebounding Chrysler Corporation.

We must realize that when the Earned Income Tax Credit for the working poor is targeted for abolition; when the EM legislation is implemented; when taxes are raised unfairly on the elderly; and when collective-bargaining rights are abolished-- that all this is part of a program that includes cutting the budget for higher education.

Many of us may be primarily concerned with the future of Wayne State University, but our fate is linked to the outcome of the broader struggle to fund a fair and just state government. There is little room for equivocation here.

Are we on the side of those who are waging a national campaign to defund state government, abolish collective bargaining, and shift taxes onto retirees and the working poor? Or are we on the side of a tax policy that is based on fairness and ability to pay? Are we on the side of Michigan's working poor and middle-class union members? Are we on the side of Michigan's school children facing serious cuts in state aid to their schools? Are we on the side of local democracy?

Which side are you on?

### The Time is Now

We are caught in a period of extreme political conflict with a term-limited and inexperienced Michigan Legislature. Rather than give up on our legislators, we need to present our case for the things we believe in and to try to persuade them and our Governor of the urgent need to fund public services and reform our regressive tax structure (see page 4). If they won't listen, we must make the case to Michigan's voters.

We ask you to act in support of political action that can make a difference in this present fight for our university and for our state. It is a struggle for the very soul of Michigan and our country.

***“We face a national movement to defund the public sector and abolish collective bargaining....”***

## Join Us in Lansing

**March 30th--** University President Allan Gilmour will testify before the House Appropriations Subcommittee on Higher Education about the damage the Governor's recommendations will do to programs and prospects at WSU. AAUP-AFT President Charles Parrish will testify before the same committee on the damage being done to all of Michigan's higher education institutions by the severe budget cuts.

**May 17th--** Join us for Lobby Day. AFT locals from across the state will come to Lansing to protest to their legislators about the severe cuts that are being made to education from kindergarten to colleges and universities.

We are arranging transportation for you for both these events. If you plan to attend either, or both, these events call Tammy Force at 313-577-1750 to tell her if you have not already signed up for them.

**Let's let our legislators know that we care about cuts.**

## General Membership Meeting

**Wednesday, April 6, 2011**

**12:00 p.m. noon - 1:30 p.m.**

**Student Center, Room Hilberry B (second floor)**

The agenda includes:

- Special Report from AFT Michigan Political Director Julie Matuzak
- Officer Reports
- Nominations for AAUP-AFT President, Secretary and Member-at-Large

**Please be sure to attend this important meeting!**

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