Strong Unions Make Life Better for Us All



"If any man tells you he loves America, yet hates labor, he is a liar. If any man tells you he trusts America, yet fears labor, he is a fool."

— Abraham Lincoln

One of the New Deal's great achievements was enactment of a set of laws and regulations that identified workers' rights with human rights. Along with programs like Social Security, banking deposit guarantees, and access to affordable home mortgages, the National Labor Relations Act provided the foundation on which the great American middle class was built. Workers and their families and the communities in which they lived had, for the first time, widespread access to education, including college, home ownership, and the dignity provided by the 40-hour work week, paid vacation, health and retirement benefits, unemployment and workers compensation insurance, and, perhaps most of all, the right to organize and bargain contracts.

When unions are weakened, everyone suffers. The reason is simple. Historical data show that decline in unions is highly correlated with rising income inequality – the rich get richer, and the poor get poorer. Increasing income inequality poses a drag on the economy. When the economy slows, everyone suffers.

Everyone benefits when members of their community bring home bigger paychecks. The prosperity brought on by the rise of unions and the middle class, was broadly shared by people in communities all across America. Workers bringing home larger pay checks meant better homes and cars, and better schools for their children, paid for by the higher tax revenues which resulted. Property values rose steadily for everyone, union and non-union, as did people's overall standard of living.

Non-union workers in areas with large numbers of unionized workers earn more too. Many research studies over the years have shown that it is not just the workers in unionized work places who realize higher wages – but other workers in the community, and in that sector of the economy wherever located, also receive better wages, benefits and working conditions than they otherwise would. A strong union movement is, in fact, the rising tide that lifted all boats. On the other hand, reliable studies have found that so-called "right-to-work" laws (more correctly they might be called "right-to-work-for-less" laws!) in fact lower wages and benefits for all workers in the state.

In fact, the difference in average incomes in states with so-called "right-to-work" laws versus states where workers are freer to form strong unions has averaged \$5000 per capita per year over the last 10 years. Hourly wages in these states were \$2.50 less per hour in 2009.

States with a higher percentage of unionized workers are states that invest more in education. They also have more doctors per capita, and lower infant mortality and lower death rates. The lower property tax rates and higher tax revenues that come from prosperous communities investing in themselves result in better-educated populations with more spending power, living in towns and cities that are increasingly desirable to live in – a virtuous cycle that attracts new businesses, grows existing ones, and creates jobs all around. In other words, the benefits of unionization reach far beyond individual compensation.

Current efforts to deprive workers of their basic human rights by taking away their right to organize and negotiate is a blow to the heart of the American middle class, a middle class already reeling from decades of low or no wage growth. Everybody has a stake – a high stake – in this fight. Everybody benefits when people in their community have a strong and vocal union movement. We all lose when they don't.

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