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## Unions are bad for cities

Among union membership, benefits are unevenly distributed

By James M. Hohman and Stephen Delie | August 2024

Is the union comeback finally here? Unions have been touting their supposed resurgence for decades, though actual union membership continues to decline. The union comeback remains unlikely, because unionization sows the seeds of failure in its own communities.

Labor leaders typically speak as if they're trying to bring about a land of progressive bliss: higher wages for the working man, less money for the rich. "The gains won by Autoworkers and Steelworkers and Teamsters benefited the entire working class. The wealth we created was shared, not hoarded," United Autoworkers President Shawn Fain boasts.

But unions don't practice what they preach, nor do they promote shared prosperity. They are on the side of their senior members first, their newer members second, and no one else after that — except maybe the politicians they help get elected.

The truth is that unionization doesn't even increase wages for all union members. Single-salary schedules

ensure that senior members earn the most and new members the least, regardless of value or merit. While union leaders may brag about the union member premium — the ostensibly higher wages that unionized workers earn — it only exists for older members, where it exists at all.

What's more, unions' seniority layoff system protects longer-serving union members before anyone else. The most junior employees are the first to be let go and the last to be rehired. Last-in-first-out layoffs do nothing to improve productivity, but they do a lot to protect senior members.

All told, union ideology stymies job opportunities in order to favor senior members. Unions don't give up even one cent of senior members' compensation, even if that might help grow the workforce. Protecting those members' interests comes at the expense of a business's competitiveness, which is essential to building flourishing communities full of opportunity.

Organized labor also has an adversarial relationship with management. Unions convince workers that

“**The damage to communities is clear in the cities that are most associated with labor unions.**”

management is out to get them and will use any tool at its disposal to punish union members. Under this mindset, there's no such thing as coaching, guidance or personal goals. The worksite is a place of grievance and bureaucracy, which is no way to be competitive and ensure that customers get what they want.

The damage to communities is clear in the cities that are most associated with labor unions. Take Flint, Michigan, the birthplace of the United Auto Workers. It should be a progressive utopia, where a thriving middle class protected by a strong union enjoys widespread prosperity.

But that's not Flint. A full third of the city's population lives under the poverty line, well more than double the 12.8% national average. The city's population is less than half of what it was in 1960. Sure, the UAW members who work at a dwindling number of auto parts plants in the city are doing okay. But they often don't live in the city where they work, while the people who do live there are stuck with a decaying private sector, thanks to union ideology.

It's not just Flint. The old industrial union towns of the United States are struggling, from Gary, Indiana, to Lordstown, Ohio. The better future has not arrived. And it won't. Unions protect their members at the cost of other workers, the cities they operate in and the states that bend to their will. Again, it's senior members first, junior members second, and no one else after that — including the communities in which unions operate.

This is bad business. Union policy creates hostility, ensures stagnation for the factories that employ union members and makes industries uncompetitive. The lack of growth harms the whole town. That sense of a slow decline can even be felt by people passing through, and it resonates deeply among those left to live in once-vibrant communities.

It doesn't have to be this way. Unions could stand for their members — all of them — and implement policies based on voluntary association and mutually beneficial negotiation with management. If they embrace this 21st century unionization, maybe next time the claims that unions are back will be true.

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