

**GIVE CIVIC A CHANCE**

For decades Civic Stadium gradually deteriorated as the owner (4J) hoped the tenant (the Ems) would keep it in good shape. Though the Ems did manage to make Civic usable, they let the big stuff go. When the Ems left Civic in 2009, 4J surveyed its condition and their finances and put out an RFP to be rid of it.

But Dennis Hebert was not one to let Civic simply slip away and neither was Natalie Perrin. In 2006 Dennis founded Save Civic Stadium (SCS); Natalie got Civic listed in the Register of Historic Places in 2008. As it turns out Civic's timbers are sound, and largely as a result of the tenacious activism of Dennis, Natalie and SCS, the rescue of historic Civic Stadium (built in 1938 by the WPA) and its rehabilitation are now possible.

SCS responded to the 4J RFP with a comprehensive plan to rescue the landmark and become a tenant with a stake in being good stewards of Civic Stadium. Anchored by a professional soccer team, Civic would host all variety of sports, concerts and other entertainment. Local sports teams would have a fieldhouse for indoor practice and Civic as a memorable place to play tournament games. And, as suggested in *EW's* Slant (2/10), there would be room on the site for both the rehabbed Civic and a new YMCA.

Under SCS's plan, 4J would receive

a steady income from lease revenues that equal or exceed what they got from the Ems. Meanwhile SCS would take full responsibility for upkeep of the site. Eventually SCS would purchase the property at the (almost certainly higher) market value at that time. See more about this good deal for 4J, SCS and the community at [www.savecivicstadium.org](http://www.savecivicstadium.org)

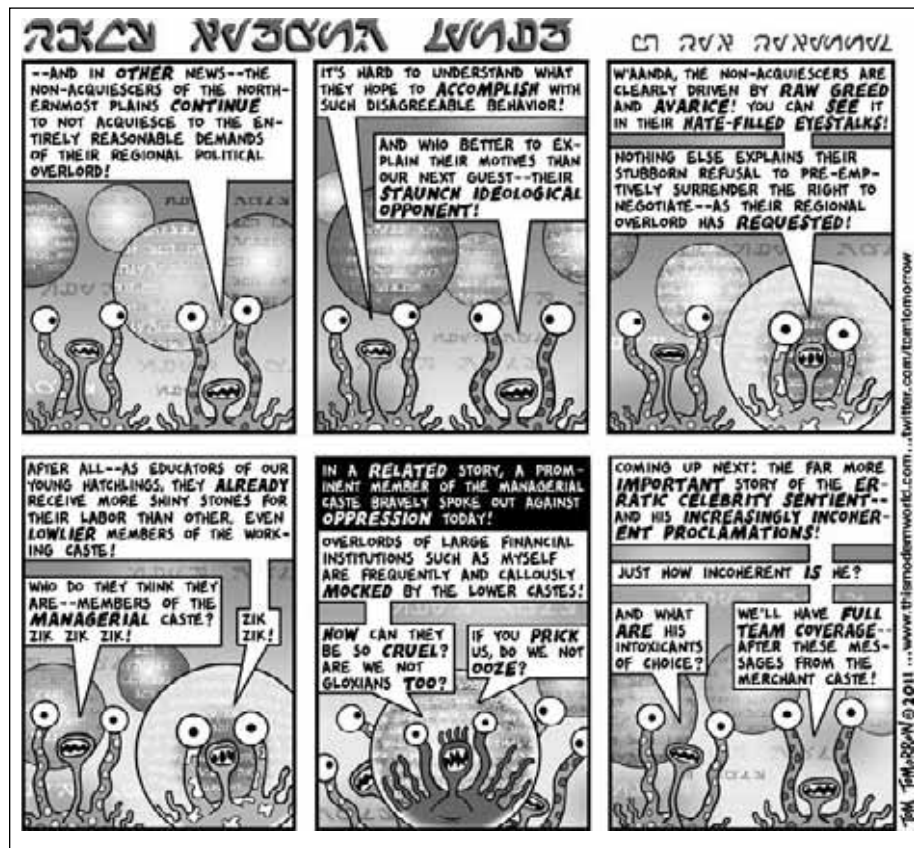
Yes, the stadium is an eyesore now and the committee screening RFPs has recommended the proposals that would demolish it. But the 3,700-plus people who've expressed their support for saving Civic Stadium urge the 4J School Board to give Civic Stadium a chance by bucking the screening committee and accepting the SCS proposal. It would be a win for all of us.

Jim Watson  
Eugene

**PICKETING KIDS**

Last week (3/8) was the opening rally for Eugene's school levy at Kelly Middle School. Because of the horrendous cuts on schools by the state, Eugene's city government is asking citizens to vote to provide for some of the teachers that are to be cut in the Eugene school district.

State funding cuts in education and human services have left Oregon schools at the bottom, and our children the hungriest in America.



Eugene teachers and parents spoke of cuts year after year. We were meeting in a library with no librarian and a projected 25 percent teacher cut at Kelly. Parents and friends were crying. A business owner with three children in Eugene schools said that she may have to move her company to an

area with better public schools for her kids and the children of her 75 employees. In the school library everyone was moved to support the needed school levy. Outside a small, rowdy picket line chanted "no more taxes." I spoke to one of the picketers. He and several others wore

**viewpoint** BY ROBERT A. OLSEN, PH.D.

**Union Busting**

Poor economics and poorer morality

**T**he current recession has reanimated a destructive human belief that some people are less deserving of societal compassion and concern than others. Many of those attempting to reduce government deficits by shackling union membership and reducing existing public employee benefits are implicit purveyors of this belief. These are strong accusations but what these people advocate is economic nonsense and moral wrongdoing.

The most recent period of strong middle-class income growth was from WWII until about 1974, a period of strong unions and a progressive tax structure. The public benefited with better transportation, schools, housing and corporate competition. Since 1974 middle-class incomes have fallen along with the decline in strong unions, increased international job outsourcing and the weakening of regulations on business competition. Most gains in worker productivity have gone to enrich a super wealthy corporate upper class and stockholders. Most middle class workers have lost income and influence through de-unionization and weak political representation, largely due to powerful corporate lobbying.

In general, since 1974 human labor has not paid off relative to investment in stocks and bonds. The U.S. now has one of the most lopsided income distributions in the industrialized world. About 10 percent of the population now owns about 70 percent of all income and wealth, and there is no longer a large, economically viable middle class.

The current recession is especially dangerous because the middle class was the source of prior economic stability and mobility. The latest economic research indicates that where you are now born

economically, you will die. This is not the former America, the land of opportunity.

What is wrong with reducing deficits by cutting union and public employee wages? Most of these targeted people barely make enough to support their families. If you reduce their incomes even further, what can they spend?

Workers without college degrees in the public sector make about 6 percent more than those in the private sector, largely because they have better pensions and health care. However, workers with college degrees in the public sector make about 20 percent less than those in the private sector. Thus there is little evidence that, in general, public workers are living the "high life" relative to private sector counterparts.

If one assumes that "economically," union employees are representative of non-college public workers, which they are, then they make about 6 percent more than those in the private sector. This additional 6 percent is due largely to pensions and health care and amounts to about \$1,600 a year. Are health care and pensions luxuries? In most developed European countries they are viewed as rights.

What is wrong with reducing pensions and benefits after an employee has been working for an organization? Consider the following.

- When a worker and employer agree on pay and the labor required to earn it, the employers realize that pensions and benefits are really just another form of delayed compensation. Pay is split between wages and so-called "benefits." To an employer operating in a competitive economic environment, pensions and benefits cannot be gifts because there are no excess profits to spend. Thus when these are

reduced, after the fact, it amounts to forced underpayment and expropriation of the worker's labor. Regardless of the economic rationale this is theft and immoral behavior.

- If workers come to expect that pay will be subject to future reduction, they will only work for higher immediate wages and ignore employers' promises about the future. This will make it harder for employers to hire better skilled and more productive workers. Thus output quality and the general welfare will suffer. For years governments have offered higher pensions and benefits because they have been unable to generate the up front "cash flow" from taxes to offer higher immediate wages. This is most pronounced in the hiring of teachers.

- Pay cuts and layoffs in the public sector make a recession worse as more people are forced into poverty and out of the marketplace. Layoffs cost other workers their jobs. The psychological fallout from unemployment is immense and long lasting. People become fearful and less trusting and committed to community welfare. Political instability also increases.

So what are the alternatives to local pay cuts and union busting?

- The Federal Government should help local governments maintain levels of support, especially to those most at risk, during recessions.
- Income tax structure should be returned to its earlier 20th-century progressive form.
- Regulations need to enforce business competition and eliminate very large accumulations of economic power in the hands of a few firms.
- Unionization should be encouraged, as unions have proven to be a major means whereby workers can bargain with powerful employers for an equitable wage. Unions are a countervailing force to a corporate America where the 500 largest firms now possess about six times the wealth and income of all U.S. households.

Robert A. Olsen, Ph.D., of Eugene is a UO graduate and financial economist.