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My Word: Middle class is under attack

By Sandré Swanson

Guest Commentary



I'VE WATCHED with concern the events unfolding in Wisconsin as collective bargaining rights of public sector employees have come under brutal attack and the lies begin to infect our state.

The fight between the Democrats in the Wisconsin Legislature and governor should give all of us—Democrats and Republicans, public sector and private sector workers alike—great pause.

America's middle class is on the line.

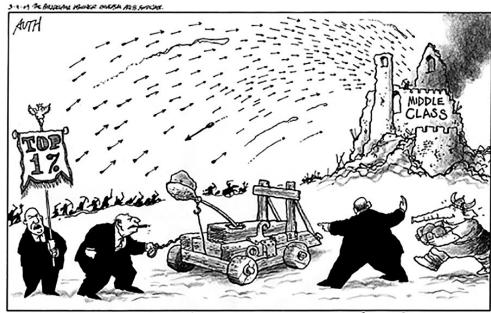
The labor movement was guided by the instinctual and constitutional right of Americans to assemble and meet to express collective interests. I am a product of that movement. My mother was a nurse. My father was a bus driver. My grandfather was a longshoreman.

Because of the labor movement, all three were able to earn a decent living, support their families, and retire with the security of a pension to live out their remaining years with dignity. That is the American dream. But the voices coming out of Wisconsin and other corporate-crested states are making labor sound like a dirty word.

Our local teachers, firefighters, school bus drivers and janitors are not the problem. There is no such thing as a highly paid public schoolteacher. The teachers I know are using their own money to pay for school supplies for their students. State workers I know are living paycheck-to-paycheck.

Again, why do the remote events occurring in the frozen tundra of Madison, Wis., matter here in California?

Because this is an attack against democracy. It is not a party fight. It is an attempt



"THIS IS OUTPAGEOUS! THEY'RE BEGINNING TO FIGHT BACK ... "

to undermine and destroy our middle class. So as we move forward, it is important to set the record straight and remember these facts:

It was the economic crash caused by Wall Street greed and massive giveaways to the wealthy elite that dissolved our state budgets, not the humble health insurance and other benefits of state workers. In fact, California's entire contribution to retirement for state employees is less than 5 percent of the state budget. The state pays less as a percentage of payroll for pensions today than it did in 1980.

Is our pension system in California headed for bankruptcy? No, quite the opposite. CalPERS has earned back more than \$70 billion since the financial crisis and is nearly 70 percent funded. A recent study found that public pension plans will have a median annual return on their assets of 6.5 percent over the next few decades.

Finally, the biggest myth of all: The fat-cat public employee pension. But the

fact is that average retirement benefits are modest. The average CalPERS retirement is about \$25,000 per year, and half of all CalPERS retirees receive less than \$16,000 in benefits per year. Remember, unlike the private sector, many public sector workers do not receive Social Security, meaning their pension is largely their sole source of retirement income.

If we're going to have this Wisconsin-style fight for the middle class here in California, let's have it. I think it's an important debate and will determine whether we have a middle class in California or not.

Let's have an honest debate that sticks to the facts. It is time for us to protect the middle class, which is the essence of the American dream, a dream which is waking up and coming to the table to fight.

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