

Unions agree to \$1.6 billion in concessions for Connecticut state workers

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Connecticut is the latest state under a Democratic Party governor to impose massive cutbacks on state employees. Governor Dannel Malloy told a press conference on May 13 that two months of behind-the-scenes negotiations with state employee unions had led to a deal for \$1.6 billion in savings at the expense of 45,000 unionized workers.

Details of the agreement were not announced officially pending their distribution to union members, who along with the state legislature must ratify the proposal before it goes into effect. The broad outlines of the concessions were made known, however. They include a total wage freeze for the first two years of a four-year contract, including a ban on such pay hikes as step increments and lump sum payments. The retirement age for state workers who retire after 2017 is to be raised by three years, and unspecified health care concessions and other benefit cuts are part of the package.

In exchange for this, Malloy said the state had promised no layoffs for the next four years. Until last week, the governor had spoken of 5,000 layoffs, and tentative layoff notices had already been sent out.

Despite the promise of no layoffs for the time being, the state plans to eliminate several thousand state jobs through attrition in the next few years. This will translate into cutbacks in basic social and public services, along with attacks on the conditions of the state workforce.

The agreement was, predictably, attacked by Republican state politicians as a “giveaway” to the unions. State Republican Chairman Christopher Healy called it a “budget charade.”

“There are no serious cuts in the size of the workforce, just trimming around the edges and putting off the inevitable,” said Healy. “More taxes to cover an unconstitutional budget that punishes success and fails to address the unsustainable burdens of current operating costs and long-term debt.”

In the Alice-in-Wonderland world of big business

politics, \$1.6 billion in concessions from state workers is a sweetheart deal, while the bankers and hedge fund managers who live in the Gold Coast towns of Connecticut near the New York state border are once more raking in million-dollar bonuses and obscene profits, just a few years after the trillion-dollar bailout of the banks.

Malloy said the budget deal was “historic because of the way we achieved it—we respected the collective bargaining process and we respected each other, negotiating in good faith, without fireworks and without anger.” The governor boasted that the two-year, \$40.1 billion budget would lock in savings that would amount to more than \$20 billion over the next 20 years.

Malloy, who was elected last November, is now being touted by the union bureaucracy and by sections of the media as the spokesman for a more realistic and effective model of budget cutting than that represented by such Republican governors as Scott Walker of Wisconsin, John Kasich of Ohio and Chris Christie of New Jersey. According to the *Hartford Courant*, published in the Connecticut capital, “Malloy’s deal with the union is likely to elevate his profile within the Democratic Party nationally, and his decision to treat public employees as partners and his willingness to propose tax hikes distinguished him from some other governors.”

It is not the public employees who are being treated as “partners,” however, but the union apparatus, which is working to impose the burden of the financial crisis on state workers while defending its own perks and privileges. In actuality, the squabbling between Republicans and Democrats only highlights their essential agreement on austerity and demands that the working class pay for the crisis. They differ only on how to impose these historic attacks.

The Connecticut deal follows similar assaults on state workers in New York, California, Illinois, Massachusetts

and other states where Democrats control the executive and legislative branches of government. The response of these big business politicians to the eruption of mass opposition to attacks on workers' rights in Wisconsin earlier this year is to work all the more energetically to show that they can play an indispensable role in imposing these attacks themselves.

What makes Malloy's talk of "shared sacrifice" especially provocative is the fact that Connecticut happens to be the wealthiest of the 50 US states, as measured by per capita household income. The hedge funds headquartered in Greenwich and surrounding towns within easy commuting distance of Wall Street in Manhattan have been attracted to Connecticut by recent reductions in state corporate tax rates.

Connecticut, along with neighboring New York, is also one of the most unequal states in terms of wealth and poverty. Greenwich, Darien and New Canaan are among the richest areas in the entire country, while Hartford, Bridgeport and other major population centers are among the poorest cities nationwide.

State workers must reject the lie that concessions imposed by Democrats and the unions are any better than the attacks demanded by Republicans. It is necessary not only to reject the concessions deal, but also to organize independently of and in opposition to the unions and the Democrats, who are in essence one and the same, and openly represent the interests of the millionaires and billionaires. The only answer to this and all other attacks is a political struggle that unites every section of the working class behind state workers in a common struggle to defend jobs, wages and living standards. To conduct this fight, independent committees of action must be established in workplaces, schools and neighborhoods, elaborating a common program of uncompromising opposition to all concessions and cutbacks.



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