

# Opinion: Liccardo: I support pension reform because of progressive values, not in spite of them

By Sam Liccardo  
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Characterizing the Aug. 3 San Jose City Council meeting as "a sea change in local politics," a recent Mercury News editorial heralded the traditionally labor-dominated council's decision to place Measures V and W on the November ballot. Over vocal union opposition, the council forwarded two proposals to constrain the budget-busting impacts of employee retirement benefits and binding arbitration.

Since they are the torchbearers for liberal policymaking in this valley, the unions' loss left some pondering whether a larger trend had emerged. Has the pendulum finally swung rightward? Have conservatives taken hold of the council? Will Bill O'Reilly soon take Jon Stewart's slot on late-night television?

No, no and let's hope not.

The vote was no conservative call to arms, but rather a triumph of pragmatism over politics. The late New York Mayor Fiorello LaGuardia once said "there is no Democratic or Republican way of cleaning the streets." He would also remind us that no faction wants a city so fiscally wounded that it cannot pay to clean them.

Although conservatives have long called for pension and arbitration reform, I supported these measures not in spite of my progressive values, but because of them. Progressive advocacy for affordable housing, environmental stewardship, marriage equality and immigrant rights doesn't preclude the pragmatic pursuit of fiscal reform.

Why? Though loath to admit it, we Democrats like government. But insolvent retirement plans threaten to fiscally implode hundreds of municipal and state governments into irrelevance. One year of payments on San Jose's \$2 billion in unfunded retirement liabilities will exceed all of next year's projected \$45 million budget deficit.

Yes, that's two "billion" with a "b," as in "ballooning burden" and "broke." Today, pensions and retiree health care consume the equivalent of every dime we collect in property taxes; by 2014, they will gobble all of the city's sales tax revenue as well. These spiraling costs threaten to cripple municipal governments for a generation.

Progressives also believe in allocating public resources and burdens in a way that protects the most vulnerable. San Jose's poorest neighborhoods depend most heavily on key city services, such as police, youth programs, gang prevention, senior nutrition and libraries. Burgeoning pension and health costs have wrought deep cuts in those services.

As a council member, I represent thousands of single parents who work two jobs -- assuming they still have jobs -- to earn half as much as the \$104,000 average pension that a firefighter in his mid-50s receives annually today in retirement.

Those same parents would happily agree that a hardworking police officer deserves every dime of her pension for risking her life to chase armed suspects. Yet the relevant question isn't whether anyone deserves that benefit, but whether we can afford it.

I suspect that the same question resounded in the minds of several independent-minded colleagues -- Rose Herrera, Judy Chirco and Madison Nguyen, Democrats all -- who courageously supported the ballot measures.

San Jose's experience mirrors a national trend. A New York Times front-page story recently cited a growing number of traditionally pro-union Democrats, from the Albany statehouse to Los Angeles' city hall, who have pushed for employee benefit cuts against fierce labor opposition. Nationally and in San Jose, political change more often emerges from maneuvering in the middle than in the exertion of the extremes.

We would do well to heed the words of LaGuardia. We face economic and fiscal challenges of increasing complexity. To the extent that we continue to view every predicament through a prism that simplistically divides our multifaceted community into two camps -- business versus labor, Democrat versus Republican, progressive versus conservative -- we'll have far greater troubles than even the current economy presents.

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