Why is Business To Blame?

As we head into the final week of the Los Angeles mayoral campaigns, I would like to ask why several of the candidates--and some local columnists--keep blaming all the lobbyists, developers and big business for the alleged corruption at City Hall. Yes, contributions are made by private sector interests to candidates and office-holders, but by what you read and hear, you would expect that business interests are the only ones doing so. Nothing could be further from the truth.

Don’t believe me? Log onto the city ethics commission’s Web site at ethics.lacity.org and take a look at the $564,287.63 of independent expenditures being spent in support of various candidates. With the exception of the apartment owners, virtually all of the independent campaign expenditures are being done by public employee unions, the ones that represent city employees and always manage to get pay raises, even when our cash-strapped city cannot afford to hire new police and firefighters.

Now look at the list of registered lobbyists. Not a single one represents a union. In fact, the only union that filed a report last quarter was the airport police, who are fighting a plan to bring them under the command of the LAPD.

What does this show? It shows that not only does labor invest a lot of money in city elections, but they apparently do not think the city’s ethics rules apply to them.

Spend a day at a city council hearing or tune into L.A. Cityview 35 and you will see numerous heads of unions testifying, talking to councilmembers and their staff. Often you will even see them behind the horseshoe talking to councilmembers where the public is not allowed. Do you think they are talking about the rain or whether the Lakers should’ve made a trade? I doubt it.

Many candidates for city office rant and rail against lobbyists and pledge not to take any money from lobbyists or appoint them to commissions. Are they referring to the lobbyists that play by the rules and disclose their lobbying activities, or are they referring to the ones that influence the decision-making process out of the ethics commission’s eye?

It is ironic that the ethics commission is considering rules--with some of the mayoral candidates endorsing them--that will prohibit lobbyists from raising money and being appointed to commissions when, under their very noses, there are influential activists who are paid to fight for city employees but have not bothered to register.

Proposals have been made to ban corporate contributions or those from developers and business interests. What about labor unions?

Some columnists have written that business has bought city hall. With L.A.’s business climate so non-competitive, that notion is laughable. But how about labor unions?

These same candidates and columnists seem to forget that, in reality, organized labor has as much, if not more, at stake than developers or business interests. The percentage of the city budget spent on salaries and benefits (including retirement plans that are killing government coffers) makes up by far the largest expenditures. And it is the union organizations that seek to protect and expand these dollars. That is why they spend the money they do on campaigns.

I wish that business interests were as organized as labor in raising money and turning people out at meetings to influence elected officials. The trouble is that business people are simply too busy running their business and creating the jobs that make sure unions have a reason to exist in the first place. They get outspent and out-organized. What an irony.

I am not saying that labor unions are to blame for the small number of people or organizations that may be unduly influencing the public process with their contributions. What I am saying is that those who do probably come from all types of special interest groups.

The developers and business owners being blamed for the city’s problems are getting a raw deal and are being unduly criticized. I would like to see all of the candidates urge everyone who lobbies the city council to actually register so that we can all see for ourselves who is doing the lobbying. And, I would like them to rid themselves of the notion that only business is spending money--and insist that any limits or restrictions on lobbying or contributions apply equally to labor as well as private sector interests. And that’s the Business Perspective.

The Business Perspective is a weekly award-winning opinion piece created to provide a thought-provoking analysis on current issues.