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Who votes for right-to-work? A median voter analysis of Missouri's Proposition A

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Abstract

Right-to-work laws constitute a major constitutional decision that impacts the abilities of unions to operate within a state with additional impacts on the general labor market. In 2017, Missouri attempted to enact right-to-work legislation, but due to pushback from local unions, the decision was ultimately given to Missouri voters in the form of Proposition A. Voters chose to rescind the legislation and prevented the legislature from making Missouri a right-to-work state. I examined county-level voting on Proposition A using a median voter model and found evidence that occupational interest variables predicted support and opposition to Proposition A

Keywords: Median voter; Right-to-work laws
JEL Classification Codes: J50, D72

1. Introduction

On February 6, 2017, Missouri's Governor signed Missouri Senate Bill 19 (SB-19), which would have enacted a right-to-work (RTW) law for the State of Missouri. SB-19 would have "amend[ed] Missouri law to prohibit, as a condition of employment, forced membership in a labor organization (union) or forced payments of dues or fees, in full or pro-rata ("fair share"), to a union." However, in opposition to this bill, the Missouri AFL-CIO and the Missouri NAACP petitioned for a veto referendum (Hancock 2017). Proposition A was originally put onto the November 8, 2018 ballot where the fate of RTW in Missouri would be decided by voters. However, the vote on Proposition A was moved forward to coincide with the August 7, 2018 primary elections (Erickson 2018). Proposition A was defeated with 32% for and 67% against, despite the desires of the Republican-held Missouri House, Senate, and Governorship.

RTW laws originated following the 1947 Taft-Hartley amendments to the 1935 Wagner Act, which granted states the power to ban the union shop. Contract provisions at Union shops required that all employees join and pay dues to a union, and laws prohibiting this arrangement became known as RTW laws (Collins 2014). RTW laws expanded with 12 states adopting RTW laws before 1950 and 6 more before the end of 1959. From 1960 till 2000, Idaho (1985),

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Louisiana (1976), and Wyoming (1963) passed such laws. Since 2000, the RTW laws and the effects of such policies seemed to become popular. Oklahoma passed RTW legislation in 2001. While following the passage of an RTW law by Indiana in 2012, Michigan passed an RTW in December of that year. Shortly thereafter, Wisconsin passed an RTW in 2015 followed by Alabama and West Virginia in 2016 and Kentucky in 2017.

These laws would have little consequence if they were only symbolic, so to understand why these laws attract so much attention at a state and national level it is important to understand the determinants of RTW laws. I seek to add to our understanding of these determinants using an empirical median voter model applied to county-level voting on Missouri's Proposition 8.

2. Empirical approach and data

This paper follows the work of Crain and Tollison (1979) by looking at institutional change from an interest-group perspective, in this case, applying the framework to examine union and labor interests as it influences voting decisions on RTW laws. The demographic variables will capture features of the median voter, as well as present special interest through occupational variables within counties. The applicability of this framework has been highlighted by recent work in using such specifications to analyze constitutional changes (Hall and Shultz 2016; Hall and Karadas 2018; Matti and Zhou 2017; Neto et al. 2016).

The economic literature on RTW laws has posited two general explanations for the passage of RTW laws. The first one stems from Palomba and Palomba (1971) who hypothesize that these laws are put in place to enhance the fundamental attractiveness of the state's existing labor stock to new industries in order to promote economic growth from additional employment. The other explanation emphasizes the desire to slow the growth rate of unionization, as a more general objective (Moore and Thomas 1974).

Following Moore (1998), I expect county level income should negatively predict support for RTW laws, and that female employment percentage would predict support for RTW, but in general consistent determinants are hard to find. In terms of the effects of RTW laws, Moore (1998) concluded from his literature review that RTW laws decrease unionization rates, has ambiguous wage effects (for both union and non-union workers), and that state-level industrial development increases. Holmes (1998) finds evidence of manufacturing activity increases at the border between RTW states and non-RTW states. Recent work by Chava and Hsu (2020), finds evidence of lowered union wage growth and increased investment from RTW laws via a decrease in union bargaining power consistent with "The Bargaining Power Hypothesis" in Moore (1998). This suggests that RTW have non-negligible effects, and that the passage of RTW laws is worth exploring from a median-voter perspective.

BLS estimates show union membership has been falling in the US since the 1980s. Membership has fallen from roughly 20% in 1983 to approximately 11% in 2014 and sits at 10.3% as of 2019. Job category union membership rates, and their subsequent declines, could aid in identifying what occupations might predict union support on ballot measures (DeSilver 2015). Educational services and protective services have the highest rates of unionization and could predict support against RTW legislation; this is alongside occupations historically associated with unions (e.g., transportation and material moving, installation maintenance and repair, and construction and extraction).

This paper investigates if county-level occupational breakdown can explain the vote for Proposition A using a median voter model alongside special interest variables, which would have instituted SB19 and made Missouri a RTW state. Thus, coefficient estimates with a negative sign would support the veto of SB19 and maintain the existing labor market structure. If occupation-level employment captures the special interest of unions, occupations with union ties should predict union support.

Data are taken from two sources. The Election Night Reporting program from the Missouri Secretary of State was the source for voting data for Proposition A and the 2016 General Election. Statewide support for Donald Trump from the 2016 election results are used as a gauge for Republican Party support. Since support for RTW laws is potentially a partisan issue, the 2016 vote share for the Republican Party could predict positive support for the RTW law.

The data for the rest of our explanatory variables, both demographic and economic, comes from the United States Census Bureau's (2018) American Community Survey 5-year estimates (2013-2017). The following variables from this data set are used to capture median voter and interest group preferences: median household income (in $1000s), the proportion with bachelor's degree or higher (as a percentage of people over 18), proportion of African Americans, proportion female, median age, and county-level occupational share of employment. Of interest are occupations with higher union membership, and for comparison ones with very low unionization rates. Sales and related occupations, due to their very low unionization rates might predict support for Proposition A, other occupations are rather ambiguous as to the predicted coefficient of interest.

3. Empirical results

Estimating the model using OLS with robust standard errors the first regression estimated in Table 1 is contained in Column 3. This regression seeks to examine if simple county-level voter demographics can explain any of the vote share, and the model in short fails. There is significance for the effect of the income and education, but the low R2 and general lack of significance indicate that simple median voter demographics are ill suited to explaining vote share on Proposition A.

The second model estimated includes controls for occupations to see if there is evidence of occupational special interest in RTW voting. In this specification, we note a better model fit and significant effects for the occupational shares of management, sales, and construction. The results are in line with some of the observations in Moore (1998), in that there is very little significant correlation between most occupational variables and RTW law passage. While coefficient estimates match in expected sign, statistical significance is broadly lacking for most. Agricultural sectors which Moore (1998) predicted would predict support RTW is imprecise and not significant.

The third model (which is the preferred specification) adds in a measure of Republican Party support by using vote share for the Republican Party in 2016. Racial demographics only becomes significant once there are occupational controls and controls for party affiliation, while education regains significance compared to Regression 2. The coefficients for occupational special interest for construction and sales remain significant, management loses significance while the personal care and protection services gains significance with the addition of party controls. The negative sign on construction conforms to priors, given that construction is a unionized industry. Similarly, the positive sign on sales is not surprising given that few jobs in sales are unionized. There is generous support for the role of party voting in explaining the vote, as was expected considering the general trend of Republican support for RTW in the Missouri Senate and House.

4. Concluding remarks

RTW support is correlated positively with Republican Party affiliation, education, and presence of interest from sales and related occupations and negatively correlated with certain unionized occupations (notably construction) and income. This is mostly in line with what we would expect given the special interest of unions, and the opponents of unions, but occupational determinants are broadly insignificant, and agriculture plays no role. It is

Table 1. Determinants of county-level voting on Missouri's Proposition A: OLS results.

Variable	Summary Statistics	Regression 1	Regression 2	Regression 3
Female	0.5014	0.0914	-0.4027095	0.245
	(0.0205)	(0.346)	(0.339)	(0.298)
African Americans	0.0361	-0.436	-0.3570645	**0.646**
	(0.0652)	(0.282)	(0.254)	(0.178)***
Age	41.34	-0.0026	-0.00313	**-0.0038**
	(4.626)	(0.0021)	(0.0024)	(0.00197)*
Income (in 1000's)	44.44	**-0.0079**	**-0.00629**	**-0.0038**
	(8.621)	(0.0014)***	(0.0018)***	(0.00144)***
Bachelors	0.1029	**1.25**	0.416	**1.1862**
	(0.036)	(0.451)***	(0.517)	(0.348)***
Management	0.0933		**1.082**	0.379
	(0.0238)		(0.394)***	(0.293)
Social Services	0.0173		-0.182	0.247
	(0.0067)		(1.064)	(0.741)
Education	0.0576		-0.182	0.147
	(0.0153)		(0.618)	(0.45)
Food Service	0.0557		0.024	0.563
	(0.0165)		(0.495)	(0.45)
Personal Care	0.0368		-0.882	**-1.256**
	(0.01262)		(0.625)	(0.492)**
Sales and Related	0.0914		**1.091**	**1.05**
	(0.02)		(0.475)***	(0.38)***
Farming and Forestry	0.0189		0.217	-0.086
	(0.0157)		(0.626)	(0.505)
Construction and Extraction	0.0629		**-1.830**	**-1.626**
	(0.02)		(0.413)***	(0.342)***
Installation and Maintenance	0.0422		0.764	0.327
	(0.0127)		(0.707)	(0.556)
Transportation and Moving	0.0857		0.469	0.102
	(0.0219)		(0.558)	(0.478)
Protection	0.021		-0.897	**-1.64**
	(0.011)		(0.749)	(0.72)**
Republican Vote (2016)	0.7314			**1.116**
	(0.0987)			(0.116)***
R^2		0.2169	0.4376	0.6957

Notes: Dependent Variable is the 'yes' vote share on Proposition A by County. N=115. The mean of the dependent variable is .3935 and the SD is .1. Variable means with SDs in parentheses in column 1. Robust SEs in parentheses in numbered columns. **Significant at 5%; ***significant at 1%.

important to remember that Proposition A failed to pass. Thus, the default seemed to be in favor of the status quo. The fact that some "unionized" occupations don't exhibit much impact on the vote share may be indicative of union "tastes" in these occupations or be unique to Missouri. Further work should examine support for RTW laws in other settings.

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