

## Legislative Victories in WMC's 100th Year

### MANUFACTURERS TAX CREDIT

This tax credit nearly eliminates income taxes paid on income generated from manufacturing in Wisconsin. The plan will dramatically reduce income tax liability for manufacturers and make Wisconsin an attractive place to create high-wage manufacturing jobs.

### CONTROLLING WAGE AND BENEFIT SPENDING

This historic comprehensive collective bargaining reform will help state and local governments control spending, and will diminish the strength and power of public employee unions in Wisconsin.

### ENCOURAGING REINVESTMENT IN WISCONSIN

Now there is a 100 percent exclusion for capital gains reinvested in a Wisconsin business within 180 days of the sale of the asset generating the gain, and a 100 percent exclusion for gains from the sale of a Wisconsin capital asset held for at least five years.

### JOB CREATION TAX CREDIT EXPANSION

This expands the job creation tax credit to \$4,000 per new employee for companies with less than \$5 million in payroll and \$2,000 per new employee for companies with more than \$5 million in payroll.

### TAX DEDUCTION FOR HSAs

There is now state tax deductibility for health savings accounts to help employers and employees control health care costs.

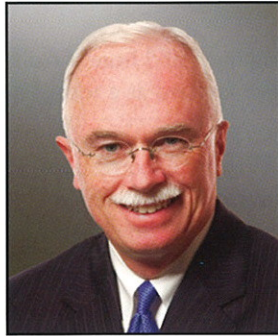
### COMPREHENSIVE LAWSUIT REFORM

These comprehensive reforms ensure businesses are protected from frivolous lawsuits.

For more victories, visit [www.wmc.org](http://www.wmc.org)

# DEMOCRACY IS A FRAGILE INSTITUTION

By James Buchen, WMC Senior Vice President



While most of us take the basic functioning of our democratic institutions for granted, the reality is successful democracies are relatively rare in the world today. And no country in human history has maintained a democratic form of government for as long as we have in the United States. The reason is that it is hard to get a group of people to accept the idea that a majority of 51 percent of them can impose their will on the remaining 49 percent, even if the minority is fundamentally opposed to the ideas of the majority. As a result, democracies are hard to start and even harder to maintain.

To see how basic democratic institutions can be stretched to the breaking point, one need look no further than recent events here in Madison. When the legislature and the Governor attempted to reform state collective bargaining laws to rein in public employee unions, the basic functioning of our democracy broke down. The public employee unions and their allies in the legislature and elsewhere stormed the Capitol and brought the normal functioning of the legislature to a halt. They occupied the Capitol, threatened legislators, disrupted meetings, blocked entrances, and shouted down speakers. Then a minority of sympathetic legislators fled the state to prevent a vote on the bill.

This orchestrated campaign of disruption was designed to reverse the basic democratic concept of majority rule. In this case a majority of the legislature, elected by a majority of the people, were attempting to pass a bill they felt responded to the will of their constituents, most of whom want lower

taxes, improvements in education, and more efficient government. A minority opposed this legislation. Democracy works when the minority accepts the will of the majority. In this case the minority took the position that they were "right" so democracy could not be allowed to function on this issue. They worked to block the functioning of the legislature until they got their way.

Fortunately, the majority held firm and did not allow Wisconsin government to descend into chaos. While the issue of collective bargaining for public employees is important, and there are strong feelings on both sides, what was and is really at stake here is the basic functioning of democracy in Wisconsin.

Unfortunately, the campaign to disrupt the normal functioning of Wisconsin government continues with recall elections targeting Governor Walker and certain Republican Senators. The recall mechanism was put into the Wisconsin Constitution in 1926 to allow voters to remove someone from public office who had engaged in some form of misconduct. At the time, the requirement that petitioners collect signatures equal to 25 percent of the voters in the previous election, to trigger a recall, was a significant threshold. Today, in the era of instant communication and paid political operatives it becomes relatively easy to identify enough disgruntled voters to meet the threshold.

That's why the national unions and their Wisconsin allies are pursuing recall every chance they get. They are trying to disrupt orderly democracy and intimidate elected officials in an effort to thwart the will of the majority. If they succeed, one has to wonder if we truly have a democracy or something closer to mob rule. We need to stand up for Wisconsin and stand with our duly elected Governor and Senators. We simply cannot allow a vocal minority, through threats and intimidation, rule the day.

It's time to get involved, contribute, and most importantly, vote! **BV**