



### Labor's Monster Man

### By Philip Klein

Summary: After the 2010 midterm elections Big Labor is down but not out. Much of the credit goes to AFL-CIO president Richard Trumka, whose combative old-style tactics are making a come-back. Unions are on the losing side in the long term economic and demographic struggle for money and members. But thanks to Trumka the AFL-CIO has plenty of clout in Washington.

The prospects for organized labor were decidedly mixed in September 2009 when Richard Trumka succeeded John Sweeney as president of the nation's largest labor organization. On the one hand, union membership was in a decades-long decline and the economic and demographic trends for organized labor were dismaying. America's manufacturing base, the traditional ground for union organizing, was getting smaller, and a younger workforce was less enamored than previous generations with labor unions. However, union leaders knew they had put an ally in the White House and there were huge Democratic majorities in the House of Representatives and Senate. It had been decades since labor unions had amassed so much political influence in Washington.

What unions needed now was a man of many parts: A persuasive voice who had the ear of the politicians, a tough guy who could grab other parts of their anatomy when necessary to pull them toward labor's positions,



**AFL-CIO President Richard Trumka** 

and a skilled negotiator who could accept compromises but use them as springboards to the next round of legislative battle.

Richard Trumka had a well-known in Washington political circles due to his previous jobs as the president of the United Mine Workers and AFL-CIO secretary-treasurer. He was known for delivering fiery rants against Republicans, corporations, Fox News, the Tea Party movement, and even capitalism itself. "We need to fundamentally restructure our economy and re-establish popular control over the private corporations which have distorted our economy and hijacked our government," he declared earlier this year at a panel discussion in

New York City. "That's a long-term job, but one we should start now." Last month, when President Obama's commission to reduce the federal deficit issued a set of recommendations that included reforms to

### December 2010

Labor's Monster Man Page 1

> Labor Notes Page 6

Social Security and Medicare entitlements, Trumka barked that it had "just told working Americans to drop dead." He was not one to mince words. "The very people who want to slash Social Security and Medicare spent this week clamoring for more unpaid Bush tax cuts for millionaires."

Trumka played a key role in the battle to pass national health care, and he has pressed President Obama to fill key administration posts with allies of Big Labor. As the leader of a group of 56 unions representing 10 million workers, Trumka is now in a position to help shape the administration's policy agenda. He also will play a role in determining the Democrats' political strategy against a reenergized Republican party that controls the House of Representatives. And he will make key decisions that will decide labor's role in the 2012 elections.

In its first two years the Obama administration has disappointed unions on several fronts. Most prominently, it failed to secure enactment of so-called "card check" legislation, which would deny workers a secret ballot vote on whether to form a union and force businesses to accept binding arbitration in negotiating union contracts. Still, Trumka led a multi-state campaign to re-elect Democrats in 2010. And despite the Democrats' massive losses in November's midterm elections, Trumka argues that the AFL-CIO

Editor: Matt Patterson

Publisher: Terrence Scanlon

Address: 1513 16th Street, NW

Washington, DC 20036-1480

Phone: (202) 483-6900

**Email:** mpatterson@capitalresearch.org **Website:** www.capitalresearch.org

**Labor Watch** is published by Capital Research Center, a non-partisan education and research organization classified by the IRS as a 501(c)(3) public charity. Reprints are available for \$2.50 prepaid to Capital Research Center.

helped save the Senate for Democrats. He expects labor's efforts to be rewarded.

### From Monster Man to Labor Big Foot

Richard Trumka was born on July 29, 1949 in Nemacolin, Pennsylvania, outside of Pittsburgh. He played high school football, where, according to the Washington Post, he was a "monster man... the old-fashioned term for the defender who swings between the linebacker and safety positions, depending on whether the offense is set up to run or pass." A third generation coal miner, he took a job in the mines at age 19. After graduating from Penn State and law school at Villanova, he began work as a staff attorney for the United Mine Workers in their Washington, DC headquarters. By 1982, he was president of the union, and during his 13-year reign, he built a reputation for outspoken and aggressive action, especially against the corporate managements of private sector business enterprises the union sought to organize.

In 1989, Trumka became famous in labor circles for leading a strike against Pittston Co. following a dispute over health care and pension benefits. As the Washington Post described it, "Trumka sustained a ninemonth strike in West Virginia that became a rallying cry for a beleaguered labor movement—4,000 workers submitted to arrest, hundreds came in solidarity from around the country, and all manner of civil disobedience was employed, including spreading bent-nail devices on roads to keep replacement workers from getting in."

But while union officials glorified his bullying tactics as shrewd resistance to Pittston management, his combative style led some to conclude that he was encouraging violence. In 1993 Trumka ordered 17,000 workers to abandon their jobs, reportedly telling strikers to "kick the shit" out of employers and workers who resisted the union, according to a report by the National Legal and Policy Center. "They vandalized homes, fire[d] shots at a mine office, and

cut power to another mine, temporarily trapping 93 miners underground," said the NLPC account.

During the wave of violence, a nonunion heavy equipment operator named Eddie York was shot in the back and killed as he attempted to drive past strikers. Those who tried to help York were pelted with rocks. Instead of denouncing the horrific incident, Trumka declared, "I'm saying if you strike a match and put your finger in, common sense tells you you're going to burn your finger." York's widow sued the union for \$27 million, naming Trumka as one of the co-defendants. The case was settled out of court in 1997.

Trumka's notoriety grew when he endorsed a reputed "reformer" Ron Carey over James Hoffa, Jr. in their battle over who would serve as president of the Teamsters. Trumka, who had become AFL-CIO secretary-treasurer in 1995, was close to Carey, who brought the exiled Teamsters back into the AFL-CIO fold. It didn't take long for Trumka to be mired in the money-laundering and kickback scandals that enveloped Carey and led to his expulsion from office. As the Washington Post reported, "Federal investigators raised questions about whether Trumka improperly directed \$150,000 in AFL-CIO funds to Carey's campaign; Trumka took the Fifth and was not charged."

The AFL-CIO did not endorse Barack Obama for president until late June 2008, when it was clear that he would be the Democrats' nominee. But in July Trumka endeared himself to the Obama campaign when he tried to shame union members inclined to vote against Barack Obama. "We can't tap dance around the fact that there are a lot of white folks out there...(who) just can't get past this idea that there's something wrong with voting for a black man." He later added, "There's not a single good reason for any worker, especially any union member, to vote against Barack Obama. And there's only one really, really bad reason to vote against Barack Obama. And that's because he's not white."

New from Capital Research Center!

# The Neighbor's Kid A Cross-Country Journey in Search of What Education Means to Americans

by CRC Education Fellow Philip Brand

Phil Brand drove his car across America visiting 100 schools, public and private, religious and secular, typical and unusual. Rather than interview education bureaucrats in Washington, D.C. he talked to parents and students, teachers and principals from Maine to California about what they like and dislike about their schools. His principal discovery: When it comes to picking a school parents care most about the kids with whom their own children associate. Not the curriculum, not the teachers, but the other kids.

180 pages, paperback \$18.00

To order from CRC call 202/483-6900 or Contact www.amppubgroup.com

## The Neighbor's Kid

A Cross-Country Journey in Search of What Education Means to Americans

Philip Brand



CAPITAL RESEARCH CENTER

### **Making Health Care Issue #1**

On Sept. 16, 2009, a combative Trumka accepted the presidency of the AFL-CIO at the federation's convention in Pittsburgh and outlined his priorities for the labor movement. On the fight over "card check" legislation, he said, "I swear to you that, come hell or high water, we will win." He called for more pension, education and child care benefits, "fair taxes," "putting Wall Street on a tight leash," and "bargaining trade laws that create good jobs here at home." But he made it abundantly clear that one agenda item trumped all others: "(T)he cornerstone of any progressive economic agenda is health care reform."

Trumka made that statement at a time when the drive to enact national health

care was in doubt. Polls showed Americans overwhelmingly opposed the Democrats' healthcare bill, and in August members of Congress heard an earful from constituents who packed town hall meetings to urge them to vote "no." Whether party leaders could round up the votes to pass anything comprehensive was unclear, but Trumka put labor squarely behind the President's decision.

"Yesterday, we heard from the man who, to my way of thinking, is proving to be the most pro-worker president in our time -- and he called on us to join him in the greatest moral crusade of our time," Trumka said. "He asked us to mobilize our members, their families, and working people all across this nation to join him in this crusade. Well, today our answer to President Obama is: 'Yes, we can ... and yes, we will!' Yes, we

will because, like you, we know we need to build a system that offers the care Americans need at a price America can afford."

While vowing to help the President, Trumka also sounded a cautionary note – he emphasized that to be truly worthy of union support, any final health care bill would have to include a government-run plan, or public option.

"Mr. President, so long as you stand for a public option we are going to stand with you," Trumka said. "Now, I know we've all heard those who've said that we ought to be satisfied with a health care reform plan that doesn't include a public option. They seem to think that we ought to settle for whatever bill a few Republicans will sign on to, declare it a victory, and go home.

Well, sisters and brothers, what they need to learn is that there's a difference between declaring a victory — and actually winning one. And they need to learn something else, too: a plan without a public option may be a lot of things, but it sure as hell isn't reform!"

On the day of Trumka's speech, the Democrat-controlled Senate Finance Committee unveiled a health care bill that not only excluded a public option, but raised revenue by imposing a so-called "Cadillac Tax" on the kind of high-cost, high-benefit health plans that are a key part of many union contracts.

The unions howled. Gerald McEntee, president of the American Federation of State, County and Municipal Employees (AFSCME), the AFL-CIO's largest member union, attacked the Senate proposal, as did Trumka. "Gerry has much wisdom," he said in an interview with the Politico. "We will fight pretty doggedly attempts to tax benefits because we've paid for those benefits over the years – we've forgone wage increases, pension increases, days off, and everything else to get those medical benefits."

The AFL-CIO was a member of Health Care for America Now!, a coalition of liberal activist groups. When Speaker Pelosi put the House Democrats' version of a health care bill up for a vote in November 2009, the AFL-CIO led a lobbying campaign for it. Unlike the Senate Finance Committee bill, the House version included a public option and excluded the "Cadillac Tax." The AFL-CIO website gave activists a list of talking points and automatically linked them to House members. On Nov. 9, by a narrow 220 to 215 margin, the House passed the bill.

Legislation still had to clear the Senate, and a House-Senate conference committee, and be passed again by both chambers before reaching President Obama. The prospects for passage did not look good when Senate Majority Leader Harry Reid (D-NV) unveiled a compromised Senate bill that excluded the public option but retained the "Cadillac Tax." Trumka branded it "inad-

equate," arguing that it was too friendly to the insurance industry. Yet when the Senate passed the measure anyway, Trumka was at the center of negotiations to find a compromise. After many visits to the White House, Trumka and other labor leaders began to tout an agreement for a union "carve out" from the Cadillac tax. The result: a tax on high value health insurance plans would go into effect in 2013 for every American except unionized workers who would not be affected until 2018.

Obamacare was on the horizon. But then Republican Scott Brown won an upset victory to replace Ted Kennedy in the Senate and he promised to be the 41st vote against the health bill. Again, Trumka did not falter. He argued that Brown's victory actually represented a mandate for Congress to produce results in Washington. A week later, he told the Huffington Post that Senate Democrats should use reconciliation, a complex legislative maneuver that allows the majority party to pass legislation with just 51 votes, avoiding a filibuster. After additional parliamentary maneuvers the bill passed both Houses and was signed into law on March 23, 2010. To deflect criticism that Obama was giving special treatment to unions, the final version deferred the "Cadillac Tax" until 2018 for all Americans.

"(T)he bill is not perfect," Trumka wrote in a letter to House members. "But we are realistic enough to know it's time for the deliberations to stop and for progress to begin. And we are idealistic enough to believe this is an opportunity to change history we can't afford to miss."

#### People (and Money) Make Policy

Passing laws is not enough. Savvy operators know that it takes friendly appointees in key positions to implement laws to a special interest's advantage. To that end, Obama appointed Hilda Solis to be Secretary of Labor and nominated two union lawyers, Craig Becker and Mark Pearce, to tilt the balance on the National Labor Relations Board.

Becker, a longtime labor activist, had been associate general counsel for the AFL-CIO as well as the Service Employees International Union (SEIU). A graduate of Yale law school who taught at the UCLA and Georgetown University, Becker penned a law review article arguing that the major aims of "card check" did not require action by Congress but could also be achieved through rulings of the NLRB. This was important because a Senate with 41 Republicans votes could prevent enactment of "card check" legislation.

Trumka urged Obama to use his power to make recess appointments of Becker and Pearce when Congress was out of session. On March 27, 2010, four days after he signed the health care bill into law, Obama did just that. The move allows Becker and Pearce to serve without Senate confirmation until the end of 2011.

In 2010 Democratic politicians in Washington steadily promoted labor's people and policies. They were slow to realize that it—and they—were increasingly unpopular with the general public, which was far more concerned with the high unemployment rate. How ironic that the leaders of organized labor focused more on passing laws and securing political appointments in D.C. than about increasing jobs nationwide.

The unions also focused on electing Democrats to Congress. In October 2010, the Wall Street Journal reported that AFSCME, the AFL-CIO's largest member union, had contributed \$87.5 million to political campaigns, making it the top contributor of the 2010 election cycle, easily surpassing the U.S. Chamber of Commerce. AFSCME's political director told the Journal, "We're the big dog...But we don't like to brag."

AFSCME's political contributions undercut liberal claims that the U.S. Supreme Court's decision in the Citizens United case would usher in corporate control of federal elections. In reality it allowed unions to pour piles of new money into television ads to

help their favored candidates. AFSCME's "big dog" status also undercut President Obama's claims that the Chamber of Commerce and anonymous conservative donors were buying the election.

Despite unhappiness with the Democrats' failure to pass a public option and enact "card check," the AFL-CIO launched 200,000 volunteers in a multi-faceted effort called "Labor 2010" to reelect Democrats. Trumka argued that things would be worse with Republicans in charge. Trumka told the Ohio AFL-CIO convention in September 2010:

"We know what Rep. Boehner will do if he gets the speaker's job—because he's told us. He'll privatize and cut Social Security, protect the corporations that send our jobs overseas, slash taxes for the super-rich. There will be no more extensions of unemployment benefits. No jobs legislation. No infrastructure spending. No Davis Bacon. No retirement security. No health care."

In a speech to the Bricklayers convention in Las Vegas, Trumka urged unionists to look on the bright side.

"Obama reversed the Bush ban on PLAs and stood in the way of federal contractors, who used government funds to block union organizing," he reminded the audience. "Our Secretary of Labor is hell-bent on stopping the misclassification of employees by cut-rate contractors. And we've seen job growth in the private sector for 8 straight months. That's a foundation. It's something to build on. But it's not nearly enough."

## The "Firewall": Stemming the Republican Wildfire

Shortly before the election, Trumka hosted a conference call with President Obama for thousands of union activists. Obama said unions were the "backbone" of Democratic efforts to turn out the vote and he urged them to overcome predictions of a Republican tsunami.

Trumka boasted that unions were the "firewall" that would protect Democrats from losing Congress. In particular, he went to great lengths to secure the reelection of Senate Majority Leader Harry Reid in his battle against Republican nominee Sharron Angle. Speaking on Reid's behalf in Reno just a week before the election, Trumka called Nevada "Ground Zero in the battle to put working men and women before the oil companies and the corporate lobbyists and Wall Street." He declared, "Sharron Angle doesn't know the first thing about how to get America back on track. She called jobless workers 'spoiled.' She apologized to BP after the oil spill! She dreams of dismantling Social Security. She doesn't understand unemployment, the housing crisis, or why America needs a minimum wage."

Trumka's battle cry: "Do it for Harry Reid! He's our champion...Just look at him! Come on! Don't you love him?...Harry Reid knows what he's doing. He knows what we need—and how to deliver it."

The AFL-CIO sent out 28.6 million pieces of literature, according to a CNN report. In a final letter urging members to get to the polls, Trumka argued that "as bad as things are, they can get a whole lot worse." The union used what are called "micro-targeting" methods so that Trumka could send personalized letters to union members that were tailored to their particular concerns. The AFL-CIO also set up call centers in 26 states, focusing on areas with a high concentration of union households in the belief that congressional seats there were competitive.

The GOP handed Democrats one of the worst midterm election defeats in American history. Still, Trumka was unrelenting. The day after the election he argued that because of labor unions Democrats were able to hold on to Reid's seat in Nevada, as well as Senate seats in West Virginia and California, which helped Democrats maintain Senate control. "We did our job," Trumka told the Huffington Post. "I think [Democrats] are

cognizant of what we did and if they aren't they should pay heed to it."

Trumka's spin was that the election results were a "mandate for creating jobs and fixing the economy" and a rejection of Republican policies and obstructionist tactics. If the GOP blocked economic proposals, Trumka warned, "Next cycle will be the fourth cycle in a row where (voters) kick the people in power out of power."

No doubt the Republican takeover of the House is a blow to the AFL-CIO's top legislative priorities. However, the Administration's pro-labor appointments mean unions can push their agenda by other means, particularly through the Labor Department and the NLRB.

The Democrats are down, not out, and those who remain are from safer seats and more beholden to labor than ever before.

Philip Klein is the Washington correspondent for the American Spectator.

LW

Please consider contributing now to the Capital Research Center.

We need your help in the current difficult economic climate to continue our important research.

Your contributions to advance our watchdog work is deeply appreciated.

Many thanks,

Terrence Scanlon President

# LaborNotes

A private sector increase of 159,000 jobs, offset slightly by a loss of 8,000 government jobs, resulted in a net gain of 151,000 jobs in October. Not bad, certainly, but not great either, considering that, as the *Associated Press* put it, "It takes up to 150,000 net new jobs a month just to keep up with population growth," and the overall unemployment rate held steady at a dismal 9.6 percent.

Despite spending some \$200 million in support of liberal politicians across the country, Big Labor was unable to save the House of Representatives for liberal politicians, or to prevent conservatives from making gains in the United States Senate. However, labor unions and their resources were able to make a difference in key races, holding Democrat losses to lower levels than they otherwise would have been. In Nevada, for example, there's no doubt that the combined efforts of the **AFL-CIO**, the **Service Employees Union** (SEIU), and the **United Food and Commercial Workers** (UFCW), among other unions, with their over 150,000 volunteers and hundreds of thousands of dollars, was the deciding factor in saving **Harry Reid**, whom AFL-CIO president Richard Trumka called "our champion."

On November 2nd, 2010, voters in four states – South Carolina, South Dakota, Arizona and Utah – approved initiatives protecting the secret ballot in union elections, measures which will essentially, in the words of the Wall Street Journal editors, "outlaw card check as a means to certify a union." And it wasn't even close: "In Arizona and Utah the measures passed with 60% of the vote. In South Dakota the margin of victory was 79% and in South Carolina it was 86%." Similar measures will come before voters in 2012 in Florida, Mississippi, California and Ohio.

However, California, in its infinite wisdom, did adopt **Proposition 25**, which was orchestrated by the **California Federation of Teachers** and will, as **Fred Siegel** of *City Journal* describes, "allow the legislature to pass a budget with simple majorities instead of the current two-thirds supermajority," and thus bypass conservatives altogether.

The **Association of Flight Attendants** suffered a setback on November 3, when attendants for Atlanta-based **Delta Air Lines** by a narrow majority voted against union representation. **Joanne Smith**, senior vice president of Delta In-Flight Service, was practically jovial in her statement announcing the news: "We are happy to share the results of the Delta flight attendant representation election we received today from the National Mediation Board. The majority of voters rejected AFA representation. This is a win for all Delta flight attendants. Delta attendants have in the past rejected union representation, but this round may not be over." As *CNN Money* reports: "The Association of Flight Attendants alleged that intimidation and coercion of voters by Delta management affected the vote results. The union said in a statement that it will submit interference charges to the National Mediation Board."

Unions should really keep a closer eye on their treasureres: Shari Birch, one-time treasurer for the **American Federation of State, County and Municipal Employees** Local 1760-A in Wisconsin, was recently charged with 21 counts of embezzling from the union, according to the *Duluth News Tribune*. Birch "...faces maximum statutory penalties of five years in prison on each conviction."

Page 6 Labor Watch December 2010