



by Grover G. Norquist

Labor's Last Stand

Facing falling numbers and growing apathy,

Big Labor plays big spender to stay in power.

Look at the Christian Coalition. They have \$25 million. We have \$11 billion.

—Richard Bensinger,
AFL-CIO organizing director,
New York Times, October 25, 1995

George Wallace claimed there wasn't a "dime's worth of difference" between the Republicans and Democrats, but AFL-CIO president John Sweeney knows better—he worries that a Dole victory, coupled with continued Republican control of Congress, will cost Big Labor billions. That's why Sweeney has increased his followers' membership dues from 42 to 57 cents per worker per month; multiplied by the 13 million workers who belong to affiliated unions, this adds \$2 million a month to the AFL-CIO's war chest. In addition, he plans to redirect another \$10 million of its funds to political activities. The media likes to focus on the \$35 million figure labor intends to spend this year, but that's only the tip of the iceberg. As the National Right to Work Committee's director of public affairs Martin Fox told Congress on March 7, in 1994 labor unions spent more than \$400 million in soft-money political spending—ten times more than the \$41 million contributed directly by labor PACs that year.

Sweeney is right to view this year's election as organized labor's Gettysburg, Stalingrad, and Waterloo all wrapped into

one. Without the veto power of Bill Clinton behind them, labor unions and their treasuries will begin to hemorrhage.

For one thing, unions depend on government spending. They receive direct grants from the Departments of Labor and Education. They also benefit from hidden subsidies throughout the federal budget. A survey of the Federal Assistance Awards Data System found that between July 1993 and June 1994, the AFL-CIO alone received more than \$2 million in taxpayer funds. Other grants during that period included \$148,000 to the American Federation of State County and Municipal Employees (AFSCME); \$965,000 to the American Nurses Association; \$1.7 million to the International Association of Machinists; \$3.5 million to the Teamsters; and \$805,000 to the United Auto Workers. At a June 4 hearing chaired by Texas Rep. Sam Johnson, it was revealed that \$11 million in Social Security trust funds has gone to 145 union officials on the Social Security Administration's full-time payroll and to 1,800 officials drawing part-time salaries. Under Clinton this taxpayer subsidy has increased 80 percent.

Sweeney knows a Republican president could put an end to this underwriting. On becoming Ronald Reagan's secretary of labor in 1981, for instance, Raymond Donovan found his office controlled some \$600 million that could go to unions for "studies" and other discretionary programs. He cut that figure to \$40 million.

Labor's major source of income is the

more than \$500 in compulsory annual dues the average worker pays in the twenty-nine states without "Right to Work" laws. The unfettered use of union dues for political activities was threatened by the Supreme Court's June 1988 ruling in *Beck v. Communication Workers of America*, which prohibited the use of compulsory dues for political ends, limiting them to contract negotiations only. In *Beck* the court ruled that 80 percent of the million-member Communication Workers' dues went for non-allowable expenditures.

Under an eleventh-hour George Bush executive order, *Beck* was finally enforced as workplaces were required to inform workers of their rights to demand refunds, and unions were required to maintain public accountability as to what spending was allowable under *Beck* rules. Bill Clinton immediately rescinded the Bush order, but a Dole presidency would likely restore it. Already, the Republican House leadership has introduced the "Worker Right to Know Act," its own effort to put teeth into *Beck*.

If every worker demanded the 80 percent dues refund allowed in *Beck*, labor would lose more than \$4 billion. Even if, say, only ten percent of union members were brave enough to demand their refund rights, it would cost the labor bosses more than \$400 million a year.

Another threat to labor is the GOP's commitment to reform or repeal a series of laws that grant labor unions monopoly concessions. The Davis-Bacon Act of 1931, originally passed to keep Southern blacks from underbidding unionized white workers for government contracts, continues to inflate the cost of federal construction of everything from roads to public housing—by as much as \$1 billion a year. The Jones Act

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and the Passenger Vessel Act require that only American union-made ships manned by American unionized crews can ship goods and people between American ports. This restriction increases the costs of goods sold in Puerto Rico alone by \$600 million annually. Presidents such as Roosevelt, Truman, Kennedy, Johnson, and Nixon have sneaked sundry privileges into federal law to benefit labor—all of which would be subject to reform if not repeal if Clinton loses.

Labor is also threatened by the movement toward government budget restraint, particularly now that 40 percent of union members work for government at some level. The 2.2 million member National Education Association is the nation's largest union. The AFSCME has 1.2 million members. More than half of the Service Employees International Union members work for government. Meanwhile, union membership continues to decline—from one-third of workers in the 1950's to 23.2 percent in 1970 to 15.6 percent in 1990. Since 1979, membership has fallen from 21 million to 16.4 million. Those lower numbers obviously mean fewer dollars available.

It may also require a Democratic victory to keep some union leaders out of jail. Two years ago, for instance, Arthur Coia, head of the Laborers International Union of North America, was named in a 212-page complaint by the Justice Department's Organized Crime Section that detailed his connections with organized crime. As it happens, however, Coia provided a \$100,000 loan to the Clinton Inaugural Committee, contributed more than one million dollars to Democrat candidates in recent election cycles, served as co-host of a \$1,500-a-plate fundraiser that netted the DNC more than \$3.5 million, and even sent \$1,000 to the president's Legal Defense Fund—all of which might explain why the Justice Department has decided to let Coia remain as the union's general president.

Finally, labor depends on favorable decisions from the National Labor Relations Board. Karen Kerrigan, president of the Small Business Survival Committee, says Bob Dole's appointments to the NLRB will be more important to the labor—small

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business struggle than his Supreme Court appointments.

As an indication of what labor intends to pull off this fall, consider its successes in defeating balanced budget legislation in 1995, and in winning the Oregon Senate seat for Ron Wyden and off-year's governor's races in Kentucky and Louisiana. Here's what Sweeney told a Rainbow Coalition Labor breakfast last March 1 about the fight against the Republican budget:

We started out by getting an ironclad commitment from President Clinton to veto any bill that damaged Davis-Bacon or the Service Contract Act and he has lived up to that commitment....We spent \$7 million on television advertising in the districts of the radical, right-wing followers of Newt Gingrich. We poured direct mail into those same districts. And we generated over 500,000 phone calls to members of Congress carrying our core message.

He said that in Oregon, unions made more than 230,000 phone calls and sent over 350,000 pieces of mail. This on top of more than \$180,000 in union PAC contributions to Wyden's campaign, and the services of thirty-seven full-time union operatives (who do not show up in campaign finance reports).

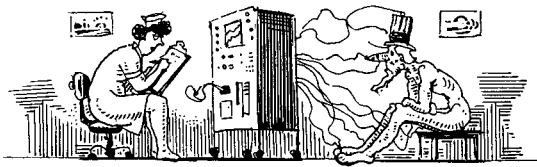
Meanwhile, in the Kentucky governor's race, according to *AFL-CIO News*, labor paid for 83,000 phone calls and 158,000 pieces of mail, and provided at least sixteen full-time political operatives. The Democrat won 51-49. In Mississippi, Republican Kirk Fordice won his race, but had to overcome an opponent with three full-time and ten part-time union staffers, 40,000 pieces of mail, and 20,000 phone calls.

This year, the AFL-CIO will target seventy-five House races, using paid activists and negative television and radio ads. It has already spent \$600,000 in attack ads against Washington freshman Randy Tate, but such efforts are starting to backfire. Thirteen stations in eleven districts have already rejected labor ads as misleading and dishonest. This is forcing the AFL-CIO to shift resources to field operatives and to direct mail and phone-bank operations, which do not have to be vetted.

The AFL-CIO is flying under false colors in many of its efforts. Unions are major contributors to feminist, environmental, minority, and abortion rights groups, and causes. As noted by the Heritage Foundation's Ken Weinstein, they were the muscle behind the Stand for Children Rally in Washington, D.C.—as even the *New York Times* admitted in this headline: "Caravan of Buses Carries New Yorkers, Mostly From Unions."

This spring Americans for a Balanced Budget, headed by Tony Zagotta, commissioned a poll of union rank-and-file. More bad news for Sweeney: Seventy-eight percent said they support the Republican \$500 per child tax credit, 82 percent favor a balanced budget amendment, and 87 percent back the Republican welfare reform plan. Eighty-four percent want union leaders to disclose how they spend union dues, 62 percent oppose the AFL-CIO's plans to spend tens of millions on politics this year, 49 percent believe unions should be less involved in political campaigns, and 56 percent would likely ask for a refund of dues used for political campaigns.

John Sweeney's AFL-CIO may be losing members and the loyalty of the members it still has, and it has to hide behind the activities of other issue groups. But it still has money, lots of it—and intends to spend it. ❧



by Victor Gold

Circling Atlanta

An Olympic city only General Sherman could love.

May you die, be ticketed to Hell, and change planes in Atlanta.

—Old Southern malediction

*Somewhere Over
Hartsfield International*

I had no plans to go to the Olympics this summer but, like it or not, here I am trying to make connections in America's most dysfunctional airport, a few kilometers down the marathon road.

In a short while we'll be on the ground. True, the pilot's said that three times, and there's no reason to believe him a fourth. But sooner or later, unless the FAA has amended the laws of physics while we've been circling, the plane has to land. I'll miss my connection and, not for the first time, have to lay over in Atlanta.

But wait. Maybe the great god of sports fans is trying to tell me something: that this time around, I've caught a lucky break. The Olympic Games! Think of the history, of all we've read and seen on faded films over the years: Jesse Owens in Berlin; Bob Mathias in London and Helsinki; Wilma Rudolph in Rome...

Would it hurt to make a few calls, see if I can pick up a ticket, maybe even a press freebie, for one or two events? Nothing special. Even synchronized swimming might do. Just to say I've been there.

Whoa! Don't get carried away. Take a deep breath, chat with the stewardess, have another decaf, think it over. Count to ten, twenty, maybe a hundred. Go into Atlanta? Spend time in the City of Hype? Don't be ridiculous. Not even for the Olympics.

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Like most Southerners outside Atlanta, I have few positive thoughts about the place. But why temporize? As Marge Schott might put it, *Sherman had the right idea, he just went nuts at the end.* I—we—dislike the city. Resent its supercilious attitude toward its Southern neighbors. Are put off by its relentless boosterism, its nouveau swagger. Despise the Turnerite smugness contained in the notion that the Atlanta Braves, by virtue of extended cable and Jane Fonda sitting in the owner's box, have somehow become "America's Team."

Understand, these are no passing cheap shots. My brief against Atlanta pre-dates even its gift of CNN and Peter Arnett to global diplomacy. Besides, nothing about Atlanta comes cheap these days:

- Hotel rooms, with or without views of Klan rallies at Stone Mountain, price out at figures exceeding even the \$500-per-night tab extorted from visitors to the 1992 Barcelona games;
- A Bubba breakfast of canned juice, charred bacon, storage eggs, taste-free grits, and dishrag coffee comes to ten dollars, tip not included, anywhere inside a five-mile radius of the Olympic village;
- A bottle of Classic Coke, the city's most memorable contribution to Western culture, goes for three dollars, ice and tax not included.

All this comes by word-of-mouth from Yankee tourists who went to the Olympics looking for a taste of Southern hospitality. Big mistake. Going to Atlanta in search of the authentic South is like traveling to Anaheim in search of the Old West. Atlantans in fact go out of their way to claim they're not related to the riff-raff living in Alabama,

Mississippi, or, for that matter, the rest of Georgia. *Don't throw us in with those red-necks*, they insist. *We're the New South.*

New South, right. Y'all know what a New Southerner is: Lester Maddox in discount-mall Guccis.

From what I've heard, Atlanta's chief rival for hosting this year's Olympics was Athens (the one in Greece, not Georgia). The competition, they say, was fierce. I believe them. Hosting an Olympics these days is a financial bonanza undreamed of when the modern Games began a hundred years ago. What Pierre de Coubertin conceived as a lucre-free sports festival to inspire world youth has been transmogrified into a money machine that grinds out billions in TV revenue, endorsements, and other ancillary profits for all concerned—including "Dream Team" basketball pros and Gold Medal winners who end up on Wheaties boxes wearing Nike shoes.

Money, moolah, gelt. And hype. Lots of hype. Athens hosted the first modern Games in 1896. When it made its bid for this one, it not only had tradition on its side, but climate, hotel space, fine restaurants, and comparatively safe streets. Not long ago that might have been enough to carry home the prize. But these are the summit years of the age of hyperbole (*how else do you explain Dennis Rodman?*), and no city beats the capital of Georgia at that game.

Sales hype isn't just a means to an end there; it's ninety percent of the civic inventory. Pity the Athens Chamber of Commerce, taking on that crowd.

Arthur Frommer, called by some "Mr. Travel," was baffled when the International Olympic Committee picked Atlanta as host for this year's Olympics. After touring the city,