

Fitzsimmons and Beyond

John Sikorski

LONG BEFORE THE CRACK OF DAWN on a rainy Monday morning last June, the "Warhorse" dressed quickly, loaded his picket signs in the back of his car and drove 20 miles east of Toledo to pick up "Mr. Lucky." Together the two professional truck drivers (identified here only by their CB radio "handles" or nicknames) drove the remaining 80 miles to Akron, Ohio, the site of the corporate headquarters of their employer—Roadway Express, the nation's largest common carrier of general freight. By 8 A.M. they were sipping warm coffee in the back room of a VFW hall three blocks from the company's nerve center, waiting for more of their fellow truckers to arrive for the demonstration. They were already pouring in from big trucking centers like Atlanta, Cincinnati, Winston-Salem, North Carolina; Bean Station, Tennessee; Tannersville, Pennsylvania and Fort Wayne, Indiana carrying signs that read: "Stop 70 Hour Slavery" "Roadway Trucks Are Killing Us" "Tennessee Drivers Say Hot Cabs Are Burning Us Up" and "Roadway Equipment is Suicide."

These Teamster members were not on strike or participating in a Teamster organized or sanctioned activity. They had gathered to express their collective outrage to their employer and to the country's richest, largest and (some say) toughest union which, they felt, condoned unbearable employer arrogance. Understanding their frustrations goes a long way toward understanding the stakes in the current struggle to reform the Teamsters Union, a struggle in which every friend of organized labor has a vital stake.

Both the Warhorse and Mr. Lucky are active in PROD, the nationwide rank and file reform organization that sponsored the demonstration.¹ Both are long distance truck drivers who pilot 18 wheel rigs from the midwest to various eastern cities. Unlike virtually every other American workingman, their standard work week is 70 hours long computed on the basis of an eight-day week. The hours are as irregular as they are long.

1. PROD was started by over-the-road drivers in early 1972 chiefly to counter the domination by the American Trucking Association of government agencies in charge of protecting driver safety and health since the Teamsters Union did not have a safety department. Over the years, PROD has won major victories for truckers in this field including: two legal precedents plus \$75,000 in back pay for two drivers fired for refusing to drive unsafe equipment, regulations to make truck cabs quieter and lessen the chance of tire blow outs, forcing the government to overhaul its antiquated maintenance and hours of service regulations and forcing government officials to meet with drivers. PROD has drafted legislation to strengthen the government's enforcement powers in the safety field and organizes picket lines, demonstrations and fact finding teams to bring pressure on particularly arrogant employers.

To maintain maximum flexibility, the Union allows Roadway and other major trucking companies to keep their employees waiting at the phone virtually 24 hours a day for a work call. If you are not there, you get a warning letter. Two such letters within six months and you can be fired. "Stop 70 Hour Slavery" is not just a catchy slogan but a lingering battle cry from a bygone era of labor struggles.

They drive two types of trucks. The older model tractors are equipped with "rubber block" suspensions, so-called because they have a one-inch thick strip of solid rubber in place of traditional metal leaf springs. The result is a bone-shattering ride that makes the driver feel like he's riding a jackhammer and produces battered backs, bashed kidneys, blood in the urine, bumps on the head from being tossed so high off the seat and loss of effective control. After intensive efforts by PROD, the company's newer tractor-trailer units have conventional springs but present a novel problem—the shrunk cab. That is, the tractors have shrunk to allow trailers to expand and carry a larger payload. As a result, drivers now drive down the road with the steering wheel in their guts, their knees buckled up under the dashboard and their feet right next to a hot engine block that protrudes into the driver's portion of the cab, frequently leaking noxious fumes as well as producing high temperatures. "Hot Cabs Are Burning Us Up" and "Roadway Trucks Are Killing Us" are desperate cries for relief.

Should the Warhorse and Mr. Lucky endure a sufficient number of 70 hour weeks to reach retirement age, they can apply for pensions from the notorious Central States Pension Fund.

Last year alone, this Fund wrote off \$118 million in loans, the natural consequence of investing 80% of a billion dollar portfolio in high risk real estate ventures. Labor Department officials also confirm that over a hundred million dollars was lent at "extremely low interest rates that were hard to justify." These loans were often made on the basis of "personal guarantees" rather than collateral, according to the Labor Department, or with "absolutely no physical inspection or any kind of documentation" and to individuals identified with crime interests. Two people, a St. Louis attorney for major mob figures and a 33 year old real estate salesman with four years of business experience were entrusted with \$350 million in pension fund contributions. No one is certain of how much money remains in the fund but clearly there is less than there should be.

When Warhorse and Mr. Lucky get sick or their families incur medical bills, they submit their insurance claims to the Ohio Highway Drivers Welfare Fund which is being sued by the Department of Labor for having paid their administrator, attorney Robert Knee Jr., \$878,915 in "administrative fees" in 1974 and \$627,746 in 1975.² The greater portion of those

2. This and other examples of financial mismanagement by Teamster officials was first made public by PROD in its 1976 report, *Teamster Democracy and Financial Responsibility*. The report analyzes the internal political dynamics of the union and reports on the financial dealings and criminal associations of 200 top Teamster officials.

fees should have been used to provide eyeglasses, braces and medicines for the children and spouses of union members. Instead, it went into the pocket of a Teamster crony.

THE GULF BETWEEN THE TEAMSTER top officialdom and the membership is vast. Unlike the Warhorse and Lucky, Union President Fitzsimmons has never ridden a truck equipped with a rubber block suspension. There are no fumes, hot engines or bone shattering suspensions in Fitz's \$3.5 million jet or his spanking new Lincoln Continental. Unlike his members, Fitzsimmons will never have to rely on the depleted Central States Pension Fund. His multiple pension plans will set him up with a six (or even seven) figure severance settlement when he retires, along with a six figure yearly pension. With an unlimited expense account, the use of a union owned home, jet and car, \$3,000 a week in salary and a union-supplied French chef, Fitzsimmons has no financial worries. And thanks to the legal, political and structural barriers that insulate him from the anger of his membership, he continues to spin his web of corruption and to thumb his nose at those who want to reform their Union.

Fitzsimmons' first rule is to take care of his family. He supplemented son Richard's \$35,000 salary as an official of Detroit Local 299 with a \$45,000 a year job as an International Organizer. Richard was indicted earlier this year for using \$5,000 of union funds for a scheme linked to the insurance dealings of his brother Donald. As the Senate Permanent Investigations Subcommittee reported last Spring, Donald was the chief salesman for a plot hatched by organized crime money mover Louis Ostrer. In spite of his role in his huge rip-off of membership money, Donald currently holds a \$50,000 a year post as an International Auditor, a position of trust in the Union, involving monitoring the books of Teamsters Locals.

Recently, the Labor Department forced the elder Fitzsimmons and seven of his close cronies to resign from the Board of Trustees of the Central States Pension Fund. Fitz's role in the affairs of a sister fund, the Central States Health and Welfare Fund, is being probed by the Labor Department and the Senate Permanent Investigations Subcommittee. These investigations focus on the Fund's dealings with two insurance racketeers—Joseph Hauser and Allen Dorfman.

Time magazine reported in August 1977 that the Justice Department is also investigating reports that Fitzsimmons ordered Dorfman and New Jersey Teamster official Anthony "Tony Pro" Provenzano to deliver \$500,000 each to the Nixon White House in early 1973 for its role in preventing Hoffa from reentering Teamster politics in competition with Fitzsimmons.

Fitzsimmons' relationship with convicted extortionist Provenzano is perhaps the most damaging of his dealings. Provenzano currently faces charges in upstate New York of ordering the murder of a union rival, as

well as federal charges of soliciting a kickback on a Teamster pension fund loan in cahoots with an organized crime figure, Mattie "the Horse" Ianiello. Besides being widely regarded as the mastermind of the Hoffa execution, Provenzano has been identified as a captain in the old Genovese crime family.

Money from Teamster pension funds in Provenzano territory has been used in an astonishing array of corrupt practices. A number of funds (there are multiple Teamster funds in New Jersey) have been used by organized crime figures to help bleed small New Jersey banks dry. One fund made a multi-million dollar loan that resulted in an astronomical finder's fee for a key associate of mob financial wizard Meyer Lansky. A few funds employ consulting firms run by the sons of top gangsters. One was run by a man who the IRS claims owes \$5 million in back taxes based on his large-scale gambling activities.

Ironically, Provenzano was named director of organizing for the state of New Jersey in August 1977. Fitzsimmons has never moved against him. In fact, Fitz was the main speaker at a dinner held in December 1975 to celebrate the expiration of the ban on Tony's involvement in union affairs imposed by the Landrum-Griffin Act.

IT IS THIS PATTERN OF ACTIVITIES that provides the basis for the impeachment charges against Fitzsimmons brought by PROD members in April 1977. In September, the Union's General Executive Board tentatively agreed to hear some of the charges. The pressure generated by stepped up federal investigations coupled with the impeachment effort has taken its toll on Fitzsimmons and it is now evident that he will leave office soon.

Two major candidates appear to be emerging as possible successors—Jackie Presser of Cleveland and Roy Williams of Kansas City. Will either of these two men be more honest, capable or forthright than Fitzsimmons? Can we expect the racketeering and pension fund abuses to abate under a new administration? Those knowledgeable about Teamster affairs laugh at the thought that either man would initiate any clean-ups. Williams or Presser would likely be worse than Fitzsimmons since both of them are more intelligent. A quick look at their backgrounds will confirm these observations.

Williams has been under federal investigation for the past 20 years. He has been indicted twice for embezzlement and once for making false entries on documents submitted to the Department of Labor. Williams also faces a host of current investigations. According to the *Wall Street Journal* the Internal Revenue Service has zeroed in on Williams' role in an aborted 1973 attempt by persons with alleged organized crime ties to set up a prepaid legal plan for Teamster members. The plan involved a \$4 per month premium with \$1 going to various organized crime figures, \$1 to union officials who endorsed the plan and the remaining \$2 to cover the premium.

Until the Labor Department forced his resignation as a Trustee of the Central States Pension Fund, Williams had served as a Trustee from the day the Fund was created, longer than any other Teamster official. We certainly can't expect Williams to alter Fitzsimmons' policy of allowing multiple salaries and lavish perquisites for top Teamster officials. Williams drew five salaries in 1976 for a total of \$168,000 and flew around the country in his \$2.4 million Falcon 20 corporate jet, nicknamed "Roy's Toy."

The single most important Teamster official in the trucking sector in his dual roles as chief negotiator and grievance adjuster, Williams has consistently refused to address the basic issues of equipment design, harassment and hours of service in negotiations with the industry.

Jackie Presser has been groomed for his shot at the Teamster presidency by his father, ex-Teamster Vice President and convicted racketeer, William Presser. From his father, Jackie learned to treat Union funds as though they were his own private piggy bank. According to Labor Department records, Jackie reported receiving at least \$220,000 in 1976 while a close associate, Harold Friedman, collected \$336,185 from two Locals in which Jackie served as Financial Secretary. Presser also has access to an unlimited expense account that specifically authorizes unlimited travel and entertainment expenses. In a move that recalls former Teamster President Dave Beck (a convicted felon), Presser tried to go into business with a Vice-President of Leaseway Transportation, parent company of two of the largest trucking companies in the United States.

And what of Presser's hoodlum connections? The final chapter has yet to be written but just recently Cleveland Teamster official Jack Nardi was blown to bits as he entered his car in the parking lot of Presser's Joint Council 41. Nardi, a leading contender to take over organized crime rackets in Cleveland, was a sometime Presser rival on various issues.

And so, regardless of who occupies the throne in the Union's Marble Palace, corruption will continue to permeate the International Brotherhood of Teamsters. Although the reform movement is gaining momentum³ PROD cannot yet run an international opposition candidate since international officers are elected by convention. Indeed, the fact that there is no direct election is perhaps the largest single barrier to effective reform of the Teamsters Union.

THERE CAN BE NO ARGUMENT THAT TEAMSTER corruption has been largely responsible for the low esteem in which labor leaders are held; responsible, too, for the labor movement's recent Congressional defeats. While the Congress is motivated by its cozy relationship with employers, it can and does use Teamster racketeering and pension abuse as justification for its

3. PROD membership is doubling annually. There are now six full time staff people, including a rank-and-file Teamster who serves as staff director. Local PROD chapters are about to be set up or already exist in 21 cities around the country.

anti-labor attitudes. Certainly this affects the entire labor movement and yet all is silence. The AFL-CIO has said not a word. Nor has the UAW. While they may find the flagrant corruption that flourishes in the Teamsters Union worrisome (it gives labor a bad name), they obviously find even the suggestion of union reform terrifying. Today the Teamsters. Tomorrow . . . where will it end? That was Meany's attitude when the reformers started shaking things up in the Miners' Union. It remained his attitude even after Yablonski and his wife and daughter were killed by Boyle's hit men. No word of support to the insurgents.

More and more rank-and-filers like the Warhorse and Mr. Lucky are sticking their necks out to improve unionism. They are the real strength of the labor movement and deserve support. Will organized labor give that support or will it, by its inaction, continue to support the Povenzanos, Pressers and Fitzsimmonses?

JOHN SIKORSKI served on the staff of PROD from 1975 to 1977. He is currently completing work on his law degree at New York University and does occasional freelance writing.

Teamster Democracy and Financial Responsibility

**a report on financial mismanagement
by Teamster officials is available for \$5.00
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A Brief Encounter with a Competent Organ of the State

Burton Hall

ALL HAPPY VISITS TO FOREIGN COUNTRIES are like one another; every unhappy visit is unhappy in its own way. I have one to report that was unhappily brief. I arrived on a Friday afternoon in Kiev, the capitol of the Ukrainian Soviet Socialist Republic, expecting to stay in the Soviet Union for two weeks. On the following Monday, however, I was ordered out of the country and, early Tuesday morning, was placed on a Soviet plane bound for East Berlin.

But before I can explain my sudden expulsion, I have to tell you about a man I've never met but whose jail term for something known as "anti-Soviet agitation and propaganda" was involved with both my arrival and departure.

Oleksander Serkhiyenko, the man in question, was arrested on January 14, 1972, after he had protested the search of his apartment by the KGB (the political police). On January 12, a team of KGB investigators had come to his mother's house in Kiev and searched her apartment, confiscating, in addition to some poetry, several petitions on behalf of Valentin Moroz, a Ukrainian dissident now in prison. When they had also attempted to search the apartment which Serkhiyenko shared with his wife and son, Serkhiyenko protested and walked out of the house. He was promptly seized; a warrant was issued for search of his apartment, and the materials taken from his mother's apartment were listed as having been found in his. From his arrest until his trial in June 1972 he was held in "investigations prison;" then he was given a closed trial—neither his wife nor his mother was permitted to attend—and convicted on some ten charges that purported to add up to the accusation that he had "systematically conducted anti-Soviet agitation and propaganda," since 1965," in an oral and written fashion with the aim of undermining and weakening Soviet rule." Of the ten charges, at least six are trivial. Just how trivial can best be seen by the fact that one of the remaining four, all of which were more significant, amounted to the charge that he had habitually spoken Ukrainian instead of Russian and had given lesson plans at the university in Ukrainian. (This translated into the accusation that he had made "nationalistic statements.") He was also charged with making an emotional funeral oration for a friend; a copy of the oration has made its way to the West and turns out to have no anti-Soviet features at all. A third charge was that in 1968 he expressed to two students at the university views favorable to the Prague Spring in Czechoslovakia; the court found that these comments were made in 1968, the year of the Prague Spring, despite the fact that he had left the university in 1967 and had had no further contact with the students.

The most serious charge—and of all the ten charges the only one that had any substance even under Soviet law—was that, as the Court's verdict put it, "in his own hand he edited the first 33 pages of the printed text of I. Dzyuba's *Internationalism or Russification?*" The Dzyuba book is an essay which favorably discusses Lenin's views on the national question and argues that the Stalinist policy of "Russifying" the Ukraine is in conflict with those views. It seems that Serkhiyenko