



**NEW LABOR FEDERATION
EMPLOYS OLD STRATEGY**
SEVEN FORMER AFL-CIO UNIONS INCREASE FINANCIAL
SUPPORT IN STATE-LEVEL ELECTIONS

By
LINDA CASEY

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In the world of politics, money and endorsements from organized labor are sought-after commodities. But in 2005, possible roadblocks to labor's checkbook and its stamp of approval began to appear. A debate had been brewing among labor leaders over the direction of organized labor, and when that debate came to a head, seven big-name AFL-CIO unions defected to create a new labor federation called Change to Win (CTW).

The driving force behind the creation of CTW was Andy Stern, the president of the Service Employees International Union (SEIU). Under the leadership of Stern and the SEIU, six other unions disaffiliated from the AFL-CIO¹ to form CTW: the International Brotherhood of Teamsters (IBT), the Laborers' International Union of North America (LIUNA), the United Brotherhood of Carpenters and Joiners (UBC), the United Farm Workers of America (UFW), the United Food and Commercial Workers (UFCW), and UNITE HERE!²

Among the reasons for the split, besides some general dissatisfaction with the direction of organized labor, was the issue of political involvement — especially financial involvement. One source reported that while AFL-CIO leadership “wants the labor movement to concentrate on political activities, Stern places far more emphasis on building up membership.”³ And, according to another source, Stern “was frustrated that so much money went into supporting political candidates instead of into recruiting new members.”⁴

However, since the split and under Stern's leadership, CTW unions actually increased, not decreased, their financial support to state political campaigns between 2004 and 2006. A comparison of contributions to state-level candidates, political party committees and ballot measure committees between the 2004 and 2006 election cycles shows that, as a group, CTW unions:

- Increased their overall contributions by 17 percent — from \$40 million to \$46.5 million.
- Increased their giving to gubernatorial campaigns. In 2006, the average contribution to candidates running for governor and/or lieutenant governor was \$20,349 — more than two and one-half times the average of \$7,894 given in 2004.
- Increased their contributions to political party committees by 65 percent — from \$8.2 million to \$13.6 million.
- Increased their contributions to legislative candidates by 38 percent — from \$9.2 million to \$12.8 million.

¹ According to the AFL-CIO, union membership in the United States is about 15.4 million, with 10 million members belonging to 55 AFL-CIO affiliates. “Union Fact,” *AFL-CIO* [on-line]; available from <http://www.aflcio.org/aboutus/faq/>; Internet, accessed Jan. 9, 2008.

² “Affiliated Unions,” “Change To Win,” [on-line]; available from <http://www.changetowin.org/about-us.html>; Internet; accessed Dec. 14, 2007.

³ Ellie Levenson, “Interview — Andy Stern,” *NewStatesman*, Sept. 12, 2005 [on-line]; available from <http://www.newstatesman.com/print/200509120060>; Internet; accessed Nov. 14, 2007.

⁴ Lesley Stahl, “Andy Stern: The New Boss,” *CBS News 60 Minutes*, May 14, 2006 [on-line]; available from <http://www.cbsnews.com/stories/2006/05/12/60minutes/main1614451.shtml>; Internet; accessed Oct. 31, 2007.

But, how did current CTW unions' contributions compare to current AFL-CIO unions before and after the 2005 split?

- AFL-CIO union contributions outpaced those of CTW unions. AFL-CIO unions and their affiliates gave \$257 million to state-level committees in 2004 and 2006 compared to \$86.3 million given by CTW unions.
- AFL-CIO unions increased their overall giving by 62 percent for that period, while CTW affiliates increased their overall contributions by 17 percent.
- In fact, the contributions given by the seven CTW unions were eclipsed by just three AFL-CIO affiliates — the National Education Association (NEA), American Federation of Teachers (AFT) and AFSCME — that gave a combined \$178 million, increasing their giving by 74 percent between 2004 and 2006.

CTW AFFILIATE CONTRIBUTIONS

Despite claiming a desire to decrease political contributions, Stern's SEIU contributions dropped by only 2 percent between 2004 and 2006. And, topping the list of CTW affiliates, SEIU unions accounted for 53 percent of the money given at the state level.

STATE-LEVEL CONTRIBUTIONS FROM CTW AFFILIATES, 2004 & 2006

CTW AFFILIATE	2004	2006	TOTAL
Service Employees (SEIU)	\$23,251,047	\$22,767,074	\$46,018,121
Laborers (LIUNA)	\$5,132,125	\$9,600,704	\$14,732,829
Carpenters & Joiners (UBC)	\$4,569,046	\$5,664,291	\$10,233,337
Food & Commercial Workers (UFCW)	\$2,895,436	\$3,969,243	\$6,864,679
Teamsters (IBT DRIVE)	\$2,860,446	\$3,516,989	\$6,377,435
UNITE HERE!*	\$1,101,569	\$993,195	\$2,094,764
United Farm Workers (UFW)	\$0	\$750	\$750
TOTAL	\$39,809,669	\$46,512,246	\$86,321,915

* Hotel Employees and Restaurant Employees (HERE) and the Union of Needletrades, Industrial and Textile Employees (UNITE) merged on July 8, 2004, forming UNITE HERE! Contributions to 2004 campaigns from either HERE or UNITE prior to the merger are included in the 2004 totals.

WHERE DID CTW DOLLARS GO?

Between 2004 and 2006, CTW affiliates increased their giving to candidate committees, as well as political party committees. Candidate contributions increased by 50 percent — from \$12.3 million in 2004 to \$24.1 in 2006; political party contributions were up 65 percent — from \$8.2 million in 2004 to \$13.6 million in 2006.

Contributions to candidate committees for legislative and various constitutional offices — including governor and lieutenant governor — doubled, going from \$12 million in 2004 to \$24

million in 2006. CTW affiliates contributions to party committees increased from \$8 million in 2004 to almost \$14 million in 2006.

CTW CONTRIBUTIONS TO STATE-LEVEL COMMITTEES, 2004-2006

RECIPIENT TYPE	2004	2006
POLITICAL PARTY COMMITTEES		
Democrats	\$7,532,054	\$13,197,165
Republicans	\$722,701	\$405,854
TOTAL	\$8,254,755	\$13,603,019
LEGISLATIVE CAMPAIGN COMMITTEES		
Democrats	\$8,257,638	\$11,545,490
Republicans	\$925,048	\$1,204,449
Third Party	\$44,758	\$21,025
Nonpartisan	\$2,100	\$10,582
TOTAL	\$9,229,544	\$12,781,546
BALLOT MEASURES COMMITTEES		
Ballot Measures	\$19,249,339	\$8,782,497
TOTAL	\$19,249,339	\$8,782,497
GOVERNOR/LT. GOVERNOR CANDIDATE COMMITTEES		
Democrats	\$1,604,272	\$7,494,016
Republicans	\$21,900	\$154,685
Third Party	\$0	\$2,500
TOTAL	\$1,626,172	\$7,651,201
OTHER STATEWIDE OFFICE CAMPAIGN COMMITTEES		
Democrats	\$1,338,035	\$3,491,590
Nonpartisan	\$61,474	\$149,192
Republicans	\$49,850	\$52,800
Third Party	\$500	\$400
TOTAL	\$1,449,859	\$3,693,982
OVERALL TOTAL	\$39,809,669	\$46,512,245

State Party Committee Contributions

In 2004, contributions to state political party committees totaled nearly \$8.3 million, accounting for 21 percent of the CTW unions' total contributions. In 2006, the total increased to \$13.6 million, or 29 percent of the total given that cycle. Democratic party committees received 91 percent of the total in 2004. That percentage rose to 97 percent in 2006.

The track record for the majority of labor organizations shows a long-lasting loyalty to Democratic candidates and political parties. That includes the CTW unions both before and after the 2005 split from the AFL-CIO. CTW unions clearly favored Democratic candidates and parties, but under his direction, Andy Stern said that the SEIU would also contribute to Republicans who support union issues. He pointed to New York State Senator and Majority Leader Joseph L. Bruno, who continues to oppose health care spending cuts.⁵ However, while Democratic

⁵ Steven Greenhouse, "Union Stakes Its Claim on Politics," *New York Times*, Oct. 29, 2007 [newspaper on-line]; available from <http://www.msnbc.msn.com/id/21535920/>; Internet; accessed Oct. 30, 2007.

candidates and party committees received 11 times more than Republicans from CTW unions before the split; they received 20 times more after the split.

But being a Democrat doesn't entitle candidates to a free ride from CTW unions. In 2007, Stern formed an organization called 'They Work for Us' designed to target Democratic candidates who failed to uphold their 2006 election promises and, "If that happens, we'll unelect them." Stern said.⁶

Contributions to Republican candidates and party committees increased slightly between 2004 and 2006, from \$1.7 million to \$1.8 million.

Legislative Candidate Contributions

CTW unions increased their contributions to legislative candidates by 38 percent between 2004 and 2006. In 2004, 2,695 legislative candidates in 44 states received a total of \$9 million from CTW unions, an average of \$3,425 per candidate. By 2006, those numbers had increased to 3,061 legislative candidates in 43 states who received \$13 million — an average \$4,176 per candidate.

CTW AFFILIATES CONTRIBUTIONS TO LEGISLATIVE CANDIDATES – COMPARING 2004 TO 2006

	2004	2006
CONTRIBUTIONS BY PARTY		
Democrats	\$8.3 million	\$11.5 million
Republicans	\$925,000	\$1.2 million
TOTAL	\$9.2 MILLION	\$12.8 MILLION
NUMBER OF LEGISLATIVE CANDIDATES		
Democrats	2,298	2,587
Republicans	383	444
TOTAL	2,681	3,031
NUMBER OF WINNERS		
Democrats	1,495	1,857
Republicans	317	342
TOTAL	1,812	2,199
CONTRIBUTIONS TO WINNERS		
Democrats	\$6.5 million	\$8.5 million
Republicans	\$755,000	\$964,000
TOTAL	\$7.3 MILLION	\$9.5 MILLION
NUMBER OF INCUMBENTS		
Democrats	1,445	1,573
Republicans	329	364
TOTAL	1,774	1,937
CONTRIBUTIONS TO INCUMBENTS		
Democrats	\$5.5 million	\$7.2 million
Republicans	\$795,000	\$1 million
TOTAL	\$6.4 MILLION	\$8.2 MILLION

⁶ Rik Kirkland, "The New Face of Labor," *Fortune Magazine*, Oct. 10, 2006 [on-line]; available from http://money.cnn.com/magazines/fortune/fortune_archive/2006/10/16/8390290/index.htm; Internet; accessed Nov. 1, 2007.

Gubernatorial Candidates Contributions

Of the 11 state houses up for grabs in 2008, SEIU unions are targeting four — Indiana, Missouri, North Carolina and Washington.⁷ In 2006, the average contribution to candidates running for governor and/or lieutenant governor was \$20,349 — more than two and one-half times the average of \$7,894 given in 2004.

In 2004, the soon-to-be CTW unions gave \$1.6 million to 37 gubernatorial candidate committees in 32 states, with all but \$21,900 going to Democratic candidates and \$1.3 million going to incumbents.

In 2006, \$7.7 million went to 89 candidates running for governor or lieutenant governor in 38 states, with \$7.5 million going to Democrats. Illinois' incumbent Democratic Gov. Rod R. Blagojevich received the largest portion at \$2.2 million.

California gubernatorial candidates received \$1.4 million — \$1.3 million of which went to Democrat Phil Angelides' unsuccessful attempt to unseat Republican Gov. Arnold Schwarzenegger.

Pennsylvania's Democratic Gov. Ed Rendell received \$667,000 for his re-election bid. And, in Ohio, the team of Ted Strickland and Lee Fisher won an open seat and received \$579,000 from CTW unions.

Ballot Measure Committee Contributions

Over the course of two election cycles, CTW unions contributed \$28 million to 74 ballot measure committees in 21 states. But \$21 million, or 75 percent, was given by CTW affiliates — past and present — either to support or to defeat ballot measures in California. Overall, CTW unions cut their contributions to ballot measure committees by more than half from 2004 to 2006.

CTW AFFILIATE CONTRIBUTIONS TO BALLOT MEASURE COMMITTEES, 2004 AND 2006

CTW AFFILIATE	2004	2006
Service Employees (SEIU)	\$15,597,954	\$6,420,497
Food & Commercial Workers (UFCW)	\$1,393,224	\$571,853
Laborers (LIUNA)	\$567,064	\$876,400
Carpenters & Joiners (UBC)	\$362,500	\$707,200
UNITE HERE!	\$981,619	\$69,636
Teamsters (IBT DRIVE)	\$346,978	\$136,911
TOTAL	\$19,249,339	\$8,782,497

In 2004, two California ballot measures drew the attention of several CTW affiliates. The California State Council of Service Employees gave \$9 million to the ballot committee called Californians for Budget Accountability — Yes on 56. Proposition 56 failed, but would have allowed budget-related fiscal bills to be enacted with a 55 percent vote, rather than a two-thirds vote. Andy Stern's SEIU international paid \$8,784 for a mailer in support of Yes on 56.

⁷ Steven Greenhouse, "Union Stakes Its Claim on Politics," *New York Times*, Oct. 29, 2007 [newspaper on-line]; available from <http://www.msnbc.msn.com/id/21535920/>; Internet; accessed Oct. 30, 2007.

The California State Council of Service Employees gave \$3.2 million to the committee Yes On 72 Save Your Healthcare in support of another failed measure, Proposition 72, which would have required some employers to provide specified levels of health care coverage to employees. The Food and Commercial Workers Local 120 gave \$1 million and SEIU in Washington, D.C. gave an additional \$918,000 to Yes On 72 Save Your Healthcare. In all, the future-CTW affiliates gave \$6.8 million towards the passage of Proposition 72.

In 2006, CTW unions gave \$1.9 million to Campaign For Our Children’s Future in Massachusetts in support of Question 3 — \$1.8 million of that came from SEIU in Washington, D.C. The failed measure would have allowed licensed family-child-care providers to bargain collectively with the relevant state agencies.

CTW unions gave \$1.6 million to California’s Yes On 82 Preschool For All — \$1.5 million from the California State Council of Service Employees and \$100,000 from SEIU in Washington D.C. The failed measure would have established a right to voluntary pre-school for all four-year-old children. The project would have been funded by an increase in income tax.

CTW unions gave \$1 million to Californians To Improve Traffic Now/Yes On 1A and 1B that came from California locals and councils for the Laborers, the Carpenters and the Teamsters. Proposition 1A prevents the diversion of gas tax revenue that is meant for roads. Proposition 1B set up \$19.9 billion in bonds for road projects. Both measures passed.

Other Statewide Candidate Committee Contributions

In addition to the money given to gubernatorial campaigns and legislative races, CTW affiliates gave \$5.1 million to 241 candidates running for statewide office in 41 states during the 2004 and 2006 elections. Statewide candidates received \$3.7 million, or 71 percent during the 2006 election cycle, with \$2.2 million going to 10 Democratic candidates in Illinois, California and New York.

CTW AFFILIATE CONTRIBUTIONS TO OTHER STATEWIDE CANDIDATES, 2004 & 2006

CTW AFFILIATE	2004	2006
LABORERS (LIUNA)		
Democrats	\$411,240	\$985,934
Nonpartisan	\$33,250	\$28,715
Republicans	\$13,200	\$3,975
TOTAL	\$457,690	\$1,018,625
SERVICE EMPLOYEES (SEIU)		
Democrats	\$288,875	\$935,188
Nonpartisan	\$1,700	\$34,535
TOTAL	\$290,575	\$969,723
CARPENTERS & JOINERS (UBC)		
Democrats	\$372,205	\$706,588
Nonpartisan	\$15,424	\$54,192
Republicans	\$9,600	\$32,000
Third Party	\$0	\$400
TOTAL	\$397,229	\$793,180

CTW AFFILIATE	2004	2006
FOOD & COMMERCIAL WORKERS (UFCW)		
Democrats	\$114,598	\$427,700
Nonpartisan	\$5,000	\$13,400
Republicans	\$300	\$4,500
Third Party	\$500	\$0
TOTAL	\$120,398	\$445,600
TEAMSTERS (IBT DRIVE)		
Democrats	\$150,318	\$320,805
Nonpartisan	\$6,100	\$17,600
Republicans	\$26,750	\$11,825
TOTAL	\$183,168	\$350,230
UNITE HERE!		
Democrats	\$800	\$115,375
Nonpartisan	\$0	\$750
Republicans	\$0	\$0
TOTAL	\$800	\$116,625
OVERALL TOTAL	\$1,449,859	\$3,693,982

* Hotel Employees and Restaurant Employees (HERE) and the Union of Needletrades, Industrial and Textile Employees (UNITE) merged on July 8, 2004, forming UNITE HERE! Contributions to 2004 campaigns from either HERE or UNITE prior to the merger are included in the 2004 totals.

CONCLUSION

Many candidates benefit from the money and power of organized labor. That is unlikely to change despite the fact union membership has been on a steady decline since the 1980s.⁸ And, it is not likely to change because some labor leaders disagree with organizing methods or have different opinions on merger policies. Neither is it likely to change because they don't agree on the amount of time and money spent on political involvement. And, while these disagreements may have shaken up the labor movement in recent years, union contributions, endorsements and political involvement has continued.

⁸ "Union Members in 2006 – Union Members Summary," *Bureau of Labor Statistics, U.S. Department of Labor*, Jan. 25, 2007 [on-line], available from <http://www.bls.gov/news.release/union2.nr0.htm>; Internet; accessed Dec. 7, 2007.