

Big Losers

Unions' 2004 Electioneering Stuck in Florida 2000

By Ivan G. Osorio

Summary: Organized labor went all out this fall to elect the Kerry-Edwards ticket. Despite extraordinary legal maneuvering, massive expenditures and innovative get-out-the-vote programs, the effort fell short.

Had Sen. John Kerry won the White House, the AFL-CIO and other union backers were poised to claim credit, regain control over the Labor Department and leverage new political power to reverse their membership declines. Instead, Big Labor is among the election's big losers, entangled in the post-election scapegoating that has beset the Democratic Party.

Big Labor's fervor for the Democrats may have been even stronger than usual. This is the first reelection campaign for a Republican president since John Sweeney became head of the AFL-CIO and shifted the federation's direction decidedly leftward.

This was also the first time that a previous election's outcome has weighed so heavily. The ugly accusations hurled in 2000 against Florida Secretary of State Katherine Harris and Palm Beach County Elections Supervisor Theresa LePore of



disenfranchising Al Gore supporters had worked well to rally the Democratic faithful during the harrowing Florida recount—and that is a lesson that unions, the Democrats' "foot soldiers," learned well. This year some union election efforts seemed intended to create—to paraphrase a certain late Argentine revolutionary—"two, three, many Floridas" in case of a narrow Bush victory.

Some of the unions' political tactics this year were new. Labor performed its traditional get-out-the-vote and Democratic campaign volunteer roles, but unions also found new and imaginative ways to make their influence felt.

Union Myth-Making

Following the 2000 election, unionists and other liberal activists accused Florida

election officials of "disenfranchising" minority and elderly voters. Regardless of fact, this became an article of faith for the angry Left.

This gave fuel to the AFL-CIO, other unions and their allies to resort to scare tactics—mixed with some old-fashioned pandering—to get Democratic-leaning voters to the polls.

In August, the AFL-CIO and its Lawyers Coordinating Committee launched the "My Vote, My Right" campaign, touting it as an effort "to educate citizens about their voting rights, help prevent the kinds of voting rights violations that marred the 2000 presidential election and urge voters to take advantage of new protections they enjoy under the Help America Vote Act (HAVA) passed by Congress in 2002."

The campaign focused on 32 localities

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in 12 battleground states: Arizona, Florida, Michigan, Minnesota, Missouri, Nevada, New Mexico, Ohio, Oregon, Pennsylvania, Washington and Wisconsin. Participating in the local “voter rights advocacy coalitions” were state labor federations, labor councils, constituency groups and “community allies,” all trained by AFL-CIO Lawyers Coordinating Committee members.

Just what kind of “voting rights violations” did the labor federation seek to correct? They included unsupported assertions like this one from AFL-CIO Director of Civil, Human, and Women’s Rights Cecelie Counts: “We’re particularly concerned about treatment of African-American, Latino, Asian-American, and Native American voters, who were disproportionately disenfranchised in the 2000 federal election.” Or this one from the campaign’s website: “Many voters—especially people of color, immigrants, people with disabilities, and older Americans—could not vote or learned their vote didn’t count because of faulty voting systems or blatant voter intimidation.”

There is no attempt to specify what “intimidation” might have occurred in 2000. The exaggerated myths of Florida 2000 became religious truths for labor leaders engaged in the effort to unseat President Bush, and inflammatory accusations were the AFL-CIO’s order of the day.

The “My Vote, My Right” website features a banner that reads, “Don’t let them steal it again,” and features a link to a page endorsing the Kerry-Edwards

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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.

Union-Related 527 Committees

Note: Names are those of sponsoring unions, not official names of 527 committees. Only committees among the 50 largest 527s are included. Receipts and expenditures are compiled by the Center for Responsive Politics from Internal Revenue Service reports as of Nov. 8, 2004.

<u>527 Committee</u>	<u>Receipts</u>	<u>Expenditures</u>
Service Employees International Union	\$28.8 million	\$30.9 million
American Federation of State, County & Municipal Employees	\$20.5 million	\$19.9 million
AFL-CIO	\$5.1 million	\$5.0 million
Laborers Union	\$3.2 million	\$2.8 million
Communications Workers of America	\$2.5 million	\$2.1 million
International Brotherhood of Electrical Workers	\$1.7 million	\$4.6 million
Sheet Metal Workers Union	\$1.6 million	\$1.4 million
Ironworkers Union	\$899,919	\$896,227
American Federation of Teachers	\$643,975	\$630,687

ticket—shaped like a Kerry campaign button. It also features endorsements of other Democrats in Congressional and state races.

The campaign distributed fliers outlining “reasons to vote” targeted at different constituencies: African-Americans, Asian-American and Pacific Islanders, Hispanics, government employees, senior citizens, union members, women, and young people. While all the fliers feature the usual AFL-CIO class warfare rhetoric, each blaming Bush for causing massive job losses, the African-American flier features the particularly scurrilous insinuation that Bush would appoint racist judges to the federal bench. The AFL-CIO trots out discredited accusations against Judge Charles Pickering, whose nomination to the Fifth U.S. Circuit Court of Appeals was derailed by a character assassination campaign by liberal activist groups. [See *Organization Trends*, June 2002.]

“President Bush is trying to pack the federal courts with extremist judges hostile to civil rights, workers’ rights and consumers’ rights. One such Bush appointee, Charles Pickering, once sought to reduce the sentence of a man convicted of

cross burning.”

That kind of rhetoric provides the subtext for the campaign by the AFL-CIO, the American Federation of State, County and Municipal Employees (AFSCME) and other unions to change election laws in some battleground states: Either change the rules to conform to organized labor’s goals, or be accused of disenfranchising minority and elderly voters.

Defending Voter Fraud

This was the first election carried out under the Help America Vote Act of 2002 (HAVA), which Congress passed with the intention of solving some of the problems of the 2000 election. But despite Big Labor’s alleged concern for protecting voters, it led opposition to portions of the Act that helped prevent voter fraud.

Under the Act, voters whose names do not appear on voting lists at polling places and who claim that they have been wrongfully deleted can cast provisional ballots. State officials are to hang on to the ballots until they can determine whether the voters are in fact eligible.

A procedure as sensitive as this should carry as many safeguards as possible,

especially to ward off fraud. Yet organized labor sought to scuttle rules against voting in the wrong precinct. The AFL-CIO and several unions—including AFSCME and the Service Employees International Union (SEIU)—sued the secretaries of state of Florida and Ohio to force them to accept provisional ballots cast in the wrong precincts. Liberal activist groups joined the effort, suing to void laws in 11 states that require voters to present photo ID at the polls.

Allowing provisional ballots to be cast anywhere can lead to “stop and shop” multiple voting, in the words of Ohio Secretary of State Kenneth Blackwell.

“If there’s a problem for African-Americans in Ohio, why isn’t it a problem for African-Americans in Washington, D.C., or New York, or Texas?” Blackwell asked during a National Public Radio interview. “It’s because Ohio is the premiere battleground state and there is a deliberate effort to create confusion.”

Union activists and their allies—under the banner of the Ohio Voter Protection Coalition (VPC)—responded by trying to smear Blackwell, a Republican and African American, as pushing efforts to disenfranchise minorities. On October 25 the Ohio VPC organized an anti-Blackwell rally in Columbus, including United Steel Work-

ers of America (USWA) members bused in from Akron, Canton and Warren, Ohio, as well as from Pittsburgh and other Pennsylvania locales.

USWA President Leo Gerard said, “Kenneth Blackwell is setting himself up to be the Katherine Harris of the 2004 election.”

“They are trying to make me into a black version of Katherine Harris, but it won’t work,” Blackwell told the *Wall Street Journal*.

The Ohio Democratic Party and the VPC—including the Ohio AFL-CIO, AFSCME, A. Philip Randolph Institute, Association of Community Organizations for Reform Now (ACORN) and others—sued Blackwell to force him to overturn his September 16 order to direct wayward voters to their correct precincts. The plaintiffs argued that the precinct requirement violates HAVA, even though the Act allows states to devise their own election laws. In October, the Sixth Circuit Court of Appeals upheld Ohio’s law.

The AFL-CIO and the national VPC—comprised of 60 unions and activist groups—were active in other states besides Ohio, but the efforts failed. Judges in Florida, Colorado, Michigan and Missouri ruled that votes cast in the wrong precinct don’t have to be counted.

The liberal Florida Supreme Court de-

termined that the precinct requirement is “a reasonable and necessary regulation” and noted that the precinct system has been used in Florida elections for over a century. U.S. District Judge Robert L. Hinkle, who rejected the Florida suit on appeal, noted HAVA requires that votes to be eligible “under state law.”

“Florida law has long required voting at the proper polling place,” Hinkle wrote, “and nothing in HAVA invalidates that approach.”

The unions also sued the election supervisors of Broward, Dade, Duval, Orange and Palm Beach counties over the rejection of more than 10,000 voter registrations because they were not filled out properly. Voters had made suspicious errors such as failing to report the last four digits of their Social Security numbers or to check off boxes indicating U.S. citizenship, felon status or mental capacity. Amazingly, the union suit claimed the missing information was “not material” and accused election officials of adopting “unduly restrictive registration practices.”

Spending Millions

To a large extent, unions and the Democratic Party pinned their hopes on the voter mobilization efforts of 527 groups—political-action nonprofits named for the

Union-Related Political Action Committees

Note: Names are those of sponsoring unions, not official names of PACs, and include subsidiaries and affiliated PACs. Only PACs among the 20 largest contributors to federal candidates in 2003-2004 are included. Data compiled by the Center for Responsive Politics from Federal Election Commission reports as of Oct. 25, 2004.

<u>Political Action Committee</u>	<u>2003-04 Expenditures</u>	<u>Percent to Democrats</u>	<u>Percent to Republicans</u>
Laborers Union	\$2.6 million	86%	14%
International Brotherhood of Electrical Workers	\$2.0 million	95%	5%
United Auto Workers	\$1.9 million	98%	1%
Carpenters & Joiners Union	\$1.8 million	74%	26%
Machinists/Aerospace Workers Union	\$1.8 million	99%	1%
American Federation of Teachers	\$1.6 million	97%	3%
Service Employees International Union	\$1.6 million	89%	11%
Teamsters Union	\$1.4 million	89%	11%
International Association of Firefighters	\$1.4 million	69%	31%

Top Union Contributors to Independent 527 Committees

Note: Only unions among the top 10 donors to each of the 50 largest 527 committees are included. Contributions typically come from general union funds, but totals may also reflect gifts from subsidiaries, affiliates and employees. Data compiled by the Center for Responsive Politics from Internal Revenue Service reports as of Nov. 8, 2004.

<u>527 Committee</u>	<u>Union Donor</u>	<u>Total Contributions</u>
America Coming Together	Service Employees International Union	\$3.0 million
	Teamsters Union	\$1.0 million
America Votes	Service Employees International Union	\$100,000
Americans for Jobs, Healthcare & Values	Machinists/Aerospace Workers Union	\$100,000
	Laborers Union	\$50,000
	International Longshoremens Association	\$50,000
	Ironworkers Union	\$25,000
Coalition to Defend the American Dream	Sheet Metal Workers Union	\$100,000
	Plumbers/Pipefitters Union	\$100,000
	Roofers Union	\$100,000
	Int'l Brotherhood of Electrical Workers	\$50,000
Democrats 2000	AFL-CIO	\$55,000
	Communications Workers of America	\$51,000
	Amer. Fed. State, Cty & Mun. Employees	\$36,000
	Laborers Union	\$30,000
Grassroots Democrats	Communications Workers of America	\$258,083
	Amer. Fed. State, Cty & Mun. Employees	\$200,000
	AFL-CIO	\$152,245
	American Federation of Teachers	\$100,000
Media Fund	Amer. Fed. State, Cty & Mun. Employees	\$2.1 million
	Service Employees International Union	\$1.0 million
	American Federation of Teachers	\$1.0 million
	AFL-CIO	\$775,738
	American Postal Workers Union	\$500,000
	Laborers Union	\$500,000
Partnership for America's Families	Service Employees International Union	\$2.0 million
	AFL-CIO	\$620,999
	Amer. Fed. State, Cty & Mun. Employees	\$250,000
	Laborers Union	\$100,000
	Union of Needletrades Employees	\$80,000
	American Fed. of Government Employees	\$15,000
	Amalgamated Transit Union	\$5,000

Top Union Contributors to Independent 527 Committees (cont'd)

Voices for Working Families	AFL-CIO	\$2.3 million
	Amer. Fed. State, Cty & Mun. Employees	\$975,000
	AFL-CIO	\$200,000
Young Democrats of America	American Federation of Teachers	\$5,000

section of the IRS code that regulates their activities. The fact that Republicans were credited post-election with doing a better job of “getting out the vote” weighs heavily on union leaders and especially the AFL-CIO’s John Sweeney, who has made building the federation’s political clout a top priority despite membership losses.

Much has been made of the individual donors to 527 groups—especially financier George Soros, who reportedly gave about \$24 million to Democrat-leaning 527s. But the largest single contributor to 527s was the SEIU (\$30.3 million); the AFSCME (\$22 million) and the AFL-CIO (\$7.2 million) were among the top 10 donors. Several unions sponsored their own 527 organizations, spending a total of \$68.1 million. But unions also gave enormous sums to independent 527s, ranking among the top 10 contributors to leading groups including America Coming Together, the Media Fund, Voices for Working Families, the Partnership for America’s Families, Grassroots Democrats and America Votes. Considering only the 10 largest gifts to each 527, unions accounted for a total of \$22.4 million, according to FEC data compiled by the Center for Responsive Politics.

Unions also contributed to candidates through affiliated political action committees (PACs) and direct gifts to candidates. As of October 4, the Federal Election Commission (FEC) reported a total of \$41.2 million in union gifts to congressional candidates, including direct and PAC contributions of \$200 or more. Of this, \$35.5 million or 86 percent went to Democrats. Among the top 20 PAC contributors to federal candidates compiled by the Cen-

ter for Responsive Politics, nine were unions led by the Laborers Unions (which gave \$2.6 million to federal candidates), the International Brotherhood of Electrical Workers (\$2 million) and the United Auto Workers (\$1.86 million).

America Coming Together (ACT) is one of the now-infamous 527 groups whose activities became ubiquitous this election cycle. It describes itself as “the only organization exclusively focused on the mobilization of new and persuadable voters in 17 states.” ACT’s CEO is Steve Rosenthal, who was Political Director of the AFL-CIO from 1996-2002; its president is Ellen Malcolm, founder of EMILY’s List, an organization that funnels money to pro-abortion Democratic women candidates.

According to *The New York Times*, ACT had a \$125 million budget and a force of paid workers expected to reach 45,000 on Election Day. But the *Times* noted that “the tactics ACT uses are potentially as controversial as they are powerful.”

In Iowa, reporters followed Christopher Curran, an ACT canvasser who told prospective voters that he was taking a survey and asked their opinions on the prices of prescription drugs or Bush’s economic policies.

“But Mr. Curran’s true mission is to register voters and get them to vote absentee,” the *Times* reported, “which he does only if they indicate they might vote for Kerry.”

Republicans complained after ACT’s overt support for John Kerry and use of felons as canvassers became known—a practice ACT then discontinued. By law, voter registration drives are not supposed to endorse a candidate. But, according to *Newsday*, “Their printed materials skirt the

line, with one Columbus [Ohio] flier reading, ‘John Kerry has the best plan for America.’” By late September, ACT had submitted 87,000 registrations in Ohio.

ACT is part of America Votes, a coalition of 33 unions and liberal activist groups including the AFL-CIO, the AFSCME, the American Federation of Teachers, the National Education Association (NEA) and the SEIU. America Votes’ office is in the same building as the AFL-CIO seniors group, the Alliance for Retired Americans, and across the street from AFL-CIO headquarters. The coalition’s function was to send activists to campaign for Democrats in battleground states, focusing on Arizona, Florida, Iowa, Michigan, Missouri, Minnesota, Nevada, New Hampshire, New Mexico, Ohio, Oregon, Pennsylvania and Wisconsin. By October 15, America Votes had spent \$100 million on the largest voter registration drive in U.S. history, according to *The Washington Times*.

“Voter Education” NEA-Style

The National Education Association—the nation’s largest union at 2.7 million members—wasn’t shy about its support for John Kerry’s presidential bid. Its politicking in 2000 led to an Internal Revenue Service audit to determine whether tax-exempt funds were used for partisan purposes.

The NEA spent more than \$1 million on 67 mailings supporting Kerry and opposing Bush, according to Federal Election Commission reports. Another \$4.3 million was contributed to 527 organizations backing Kerry.

From April through July—the latest data available at press time—the NEA also supported 208 Democratic congressional can-

didates and only four Republicans. Total gifts to Democrats amounted to nearly \$1.8 million by late October, according to the *Washington Times*.

Getting creative, the NEA partnered with several liberal organizations including MoveOn.org, ACORN and Campaign for America's Future to sponsor a "National Mobilization for Great Public Schools." The anti-Bush stunt featured 3,800 "house parties" held across the country on September 22 and a bus tour through Florida, Iowa, Michigan, Minnesota, Ohio, Pennsylvania and Wisconsin. Other Mobilization members included the NAACP National Voter Fund and U.S. Hispanic Leadership Institute

The NEA billed the Mobilization as a nonpartisan, grassroots effort to seek federal funding for education, including increased outlays under the already expensive No Child Left Behind Act. Other stated goals included safe, well-maintained schools, small class sizes, qualified teachers, parental involvement and after-school programs.

"We're trying to let people know what No Child Left Behind is all about, how it hasn't been funded," retired high school teacher Joan Ingersoll, who helped organize one of the parties, told the South Florida *Sun-Sentinel*. NEA spokesman Dan Kaufman assured the *Sun-Sentinel* that the house parties' purpose was "not to promote one campaign over another."

But the George Soros-funded MoveOn.org and the Campaign for America's Future—both of which have held events featuring leftist film propagandist Michael Moore—have a clearly partisan mission. These groups have made extraordinary efforts to elect John Kerry. MoveOn.org spent at least \$10 million on pro-Kerry ads through its three affiliates, and the NEA itself had endorsed Kerry before the National Mobilization.

"Although the meetings were touted as nonpartisan, criticism of the Bush administration's funding of education was predictably harsh," noted *Arizona Republic* reporter Doug Carroll, citing such rhetoric as "broken promises to our schools" and "post-election threats to our schools."

The Mobilization's party host kit fea-

tured similar rhetoric. The NEA provided a seven-minute video, "Great Public Schools," to show at each house party. The video opens with a waving flag and smiling happy students, but then the music turns ominous as images of dilapidated schools with overcrowded classrooms flash across the screen, according to press reports from various parties across the country.

"The administration's own law... will be under-funded by another \$9 billion," claims the narrator. "If nothing changes, things will get worse." A teacher says, "We're building schools in Iraq and canceling school programs at home." Another man claims that millionaires are getting tax cuts while teachers are being laid off: "We need to change our priorities."

An Exeter, New Hampshire, house party was sponsored by a group called the Seacoast Progressive Alliance, according to the *Portsmouth Herald*. At that event's post-video discussion, organizer Barbara Broderick asked participants, "What are the top three ways the government can best help make schools better?"

"Get rid of Bush," shot back retired teacher Judy Chandler.

In North Carolina, the *Winston-Salem Journal* noted "an anti-Republican feel to the proceedings," though much of the discussion focused on local issues.

Associated Press reporter Ben Feller, who attended a house party in Bethesda, Maryland, described the participants' proposed solution simply as "more money."

NEA's support for Kerry took another turn: at least \$250,000 in funding for Floridians for All, an affiliate of the radical ACORN. Floridians for All—which was also supported by the Solidago Foundation (\$40,000) and the leftist Tides Foundation (\$165,000)—collected signatures to put a proposal for a state minimum wage increase on Florida's ballot.

But ACORN, which claims to have registered nearly 1.1 million voters since July 2003, is under investigation by the Florida Department of Law Enforcement for its alleged collection of signatures on various petitions used to complete fraudulent voter registrations. ACORN planned to spend \$16 million in key states this election, as compared to only \$1 million in

2000, according to *The New York Times*.

In New Mexico—a closely contested state that Al Gore won by only 366 votes in 2000—Democratic Secretary of State Rebecca Vigil-Giron issued guidelines that exempt signatures collected by activist groups like ACORN from the state's requirement that voters present photo ID at the polls if they registered without a state election official present. But the clerk of Bernalillo County, which includes Albuquerque, told the *Wall Street Journal* that her office had received more than 3,000 suspicious registrations and a 13-year-old boy had received a voter card in the mail. In a September court case, ACORN field director Matt Henderson invoked the Fifth Amendment when asked whether his organization illegally copied voter registration cards before turning them over to election officials, despite having previously admitted to the *Albuquerque Tribune* that he did so.

Crashing the Party

The AFL-CIO sponsored a coordinated event in several states that, although it wasn't as big as the NEA's "house parties," was certainly more raucous.

On October 5, the AFL-CIO undertook 20 coordinated protests around the country, some of which included forcible invasions of Bush-Cheney campaign offices and alleged harassment of staff. In Concord, New Hampshire, about 150 protesters marched through downtown, starting from outside the Bush-Cheney headquarters there. In St. Louis, about 300 unionists marched through the downtown, and 19 were arrested after intentionally blocking a busy street. Unionists stormed Bush-Cheney offices in Independence, Missouri, and St. Paul, Minnesota.

The AFL-CIO organized the protests to mount opposition to the Bush administration's proposed revision of overtime rules under the Fair Labor Standards Act (FLSA)—described by the *Wall Street Journal* as "the most dramatic overhaul of overtime rules in five decades." Critics claim that the rules will deny overtime to around six million people who now qualify for it. The Labor Department counters that only about 107,000 white-collar workers who earn \$100,000 a year or

more will lose overtime eligibility.

The protests were concentrated on swing states and seemed to focus especially on Florida. Activists burst into Bush-Cheney campaign offices in Miami, Tampa and Orlando. A Miami union activist called media to tell them about the coordinated protests. Asked by *The Miami Herald* what the group planned, she responded, "Actually, we're storming into an office."

In Miami, two people in orange T-shirts walked into the Bush-Cheney campaign office claiming they wanted to work as volunteers. As they filled out the paperwork, more than 100 union militants—in orange T-shirts—stormed the office and pushed volunteers inside, according to *The Miami Herald*. No arrests were made, since most of the protesters had left by the time police arrived.

"After much shouting and pushing and shoving, they went out into the street," police spokesman Delrish Moss told the *Herald*, also noting that scared staffers had called 911. The protesters blocked traffic for about 10 minutes before boarding two awaiting buses.

About three dozen protesters crowded into the Tampa office where a campaign staffer and three elderly volunteers were working at the time. Hillsborough County Republican Party Chairman Al Higginbotham told *The Tampa Tribune* that he arrived late to the scene and was told that demonstrators, while not making physical contact with campaign workers, moved close to them to impede them from leaving. According to the *Tribune*, unionists put up at least one sign on the headquarters' wall.

It was the Orlando incident, however, that got special notoriety. In Orlando, at least 60 union protesters stormed and ransacked the local Bush-Cheney campaign headquarters. (A local TV station report puts the number of protesters at closer to 100.) They didn't just walk in. GOP field director Rhyen Metzler suffered a broken wrist when his arm was caught in a door that he was trying to keep the unionists from forcing open. Metzler said that another campaign worker's head was slammed against a glass door. A protester drew devil horns and a mustache on a

poster of President Bush.

At least as disturbing as the actual incident were the protesters' and AFL-CIO's subsequent statements. Van Church, the protester who allegedly forced the door injuring Metzler, remained unapologetic.

"If his wrist was fractured, it's a result of his own actions in jerking the door the way he did," Church told the *Orlando Sentinel*. "He jerked the door out of my hand and cut it in the process."

Fortunately, Orlando police did not buy the argument that someone who tries to keep strangers from trespassing is to blame for injuries he may sustain in the process. They announced they would charge Church with two counts of battery.

"This was by no stretch of the imagination a peaceful demonstration," Metzler told *The Washington Times*.

The AFL-CIO, which organized the protest, brazenly defended the protesters' tactics. AFL-CIO spokeswoman Esmeralda Aguilar complained to the *Wall Street Journal* that Republicans were "trying to politicize and exaggerate the event"—as if the protests weren't politically motivated! Aguilar claimed that the protesters tried to leave but somehow found the door locked behind them.

"We weren't the ones who called the paramedics," she told the Associated Press. Never mind that the paramedics were probably needed. "They just want us to look like crazy protesters."

Conclusion

Union activists had plenty at stake in the 2004 presidential election—and good reason to expect a Kerry-Edwards White House to reward them handsomely. At a Sioux City, Iowa campaign rally, Democratic vice presidential candidate Sen. John Edwards promised that Democrats would move to overturn the Bush administration's new overtime rules if they won the White House.

"The first day John Kerry is sworn into office, we're going to reverse the overtime rule," he told about 500 cheering supporters.

Edwards' promise was not to be, and neither were a number of expected spoils for organized labor. Hoped-for changes were to include relaxed financial report-

ing requirements for unions, increased federal support for paycheck withholding of union dues and union recruiting tactics, job training funds, restrictions on American companies hiring workers overseas, and a host of welfare-state reforms.

Following President Bush's resounding reelection victory, organized labor will likely spend some time reassessing its political tactics, looking for new ways to be effective in the future. This past election season they tried some bold new tactics. Their lack of success indicates that they may have a long period of trial and error ahead.

Already it has begun. SEIU president Andrew Stern has repeated his call for major reform and restructuring of the AFL-CIO, an idea that suddenly has much more appeal given John Sweeney's political failures. But the International Association of Machinists has already threatened to abandon the federation if Stern's ideas prevail. Sweeney is likely to face a challenger in his bid for reelection to the helm of the AFL-CIO. And joining the Democrats' bitter denunciation of the selfish, uneducated "Wal-Mart voter" who allegedly reelected Bush president, union leaders are trying to divert anger toward the "Wal-Mart business model" that supports overseas jobs and shuns union-shop inefficiencies.

Altogether what we are seeing is a growing sense of despair and no unified response to Kerry's defeat in the 2004 election. Labor unions may continue to plod along, or they may yet find the key to Democratic power after Bush's eight years in the White House. But given the extent to which labor unions poured nearly all available funds and resources into the 2004 elections without success, history may find this a watershed year in the continued decline of the U.S. labor movement, at least as we know it.

Ivan Osorio is Editorial Director at the Competitive Enterprise Institute and a former editor of Labor Watch.

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Labor Notes

UNITE-HERE Striking for National Clout

At first glance, the 4,000 striking hotel employees in San Francisco seem engaged in a typical contract dispute over health insurance coverage and pension funds. But the strike—which UNITE-HERE threatens to repeat in Los Angeles and Washington, D.C.—is a test of strength for the national union. Among the key concerns of union leaders is not the immediate welfare of their members but coordination of contract expiration dates with locals in Boston, Chicago, Honolulu, New York and Toronto. The potential of future contract disputes in all of these cities would give the major hotel companies—Hilton, Hyatt, Marriott and Starwood—serious pause. Raising the stakes higher, HERE's John Wilhelm is mentioned as a possible challenger to John Sweeney for the leadership of the AFL-CIO. Wilhelm advocates increased militancy against employers, contrasted with Sweeney's emphasis on politics.

NY Labor Party Shows Strength

Despite labor unions' failure to capture the White House and Congress, a small labor-backed party in New York showed its ability to impact state politics. The Long Island-based party formed in 1998 by a coalition of labor and community groups has an unimaginative liberal agenda but successful focus on grassroots organizing and door-to-door politics. Its reach across the state to Albany, where the party got little-known David Soares elected district attorney in November, and its apparent influence in getting out votes for Sen. Chuck Schumer have attracted much attention. Previously the party's accomplishments included helping elect a New York City Council member, defeating a State Assembly incumbent and helping push state legislators to increase the minimum wage.

High-Ranking Longshoremens Indicted for Racketeering

Two high-ranking officials of the International Longshoremen's Association (ILA), both mentioned as potential candidates for president of the union, have been indicted on federal charges of racketeering. The grand jury accuses ILA executive vice president Albert Cernadas of giving jobs and contracts to members of the Genovese crime family. ILA assistant general Harold Daggett is accused of steering health-care contracts to firms that paid kick-backs to the mob, according to the National Legal and Policy Center.

Federal Contracting Leads to Efficiency, But Few Lost Jobs

A report by University of Maryland researchers dispels union arguments that forcing federal agencies to compete with private contractors for certain tasks will lead to significant job losses for federal employees. Of the 65,151 civilian jobs subjected to "competitive sourcing" at the Defense Department in the past decade, 5,141 or fewer than 8 percent involuntarily lost their jobs as a result. A total of 38 percent of civilian positions were cut, the remainder due to retirements and employee transfers to new positions, but many of these cuts resulted from Defense teams' agreements to downsize as a condition of keeping work in-house.

Private Contractors Fare Well in Philadelphia Schools

For several years, union leaders have warned of dire consequences of Philadelphia's decision to turn over 45 of the city's 265 public schools to for-profit managers like Edison Schools Inc. But the results are looking good. Edison's 20 schools in Philadelphia averaged a 10-percent gain in student proficiency in math and reading. The gain was less than half a point in the seven years before Edison stepped in. Last year, seven of the contractor schools made "adequate yearly progress" on standardized tests under the federal No Child Left Behind Law; this year the number was 23. The new data "underscores the promise of the partnership management model, which only two years ago was viewed as controversial and potentially volatile," said James Nevels, chairman of the Philadelphia School Reform Commission, to the *Washington Post*.