

# In the Limelight Again: Why Labor Unions Matter to Philanthropy

By Lisa Ranghelli

Organized labor has been in the news lately, as governors and legislators have sought to take away the public sector workers' collective bargaining rights and undermine workers' basic right to organize. About 12 percent of the United States workforce is unionized today, down from 35 percent at its peak, but it is still viewed as a formidable institution today. Labor has been the target of major political attacks and defended vociferously by tens of thousands of people from all walks of life in Wisconsin, Ohio and many other places where unions and worker rights are under attack. What is it about organized labor and its fate that should interest foundations, which cannot give grants to unions?

Historically, philanthropy and unions have had more societal connections than one might realize. In his 1999 book, *Unlikely Partners: Philanthropic Foundations and the Labor Movement*, Richard Magat documented nearly a century of interaction and collaboration. He noted that foundations and the labor movement shared common ideals for human well-being and a more just society.<sup>1</sup> Important philanthropic causes, such as the civil rights movement, enjoyed union support. Henry Allen, executive director of the Discount Foundation, noted that the United Auto Workers (UAW) provided critical funding for the Southern Christian Leadership Conference and that Martin Luther King Jr., was in Memphis supporting the strike among African American san-

itation workers seeking collective bargaining rights when he was assassinated on April 4, 1968.

Today, there are a number of reasons why foundations seek to learn more about and work with unions. First, the labor movement has gone through a major leadership transformation over the last decade and has re-embraced its original vision of being a voice for all workers, not just those with union cards. Many unions now work on an array of issues beyond worker rights, including immigration policy, poverty, healthcare reform, economic development and environmental justice. Several unions also have made great strides in obliterating racism and sexism, and they now actively seek to organize women, people of color and

new immigrants, both documented and undocumented.

"You would not have found so many grassroots organizations, as well as funders receptive to working with the labor movement if there hadn't been these changes in leadership there," observed Allen. As a result, many of the issues and constituencies that foundation leaders care about overlap increasingly with labor's focus and priorities.

Second, although the labor movement is not as large and influential as it once was, it still brings substantial power and resources to the table. According to Victor Quintana, senior program officer at the Unitarian Universalist Veatch Program at Shelter Rock, these financial and political assets are the very reason unions are



Protesters during a minimum wage campaign.

PHOTO COURTESY OF PUP.

under attack today. “When it operates at its best, the trade union movement has institutional power and relationships that it can bring to bear in partnership with community-based organizations to affect a range of social justice issues: from worker and immigrant rights to accountable economic development. Because trade unions can mobilize people and have economic resources, the reaction has been for business interests to go after the best organized of the workforce in this country, particularly public sector unions. This is not an accident; it’s a question of power.”

Although labor may be the big kid on the block at times, union-community partnerships are mutually beneficial. “Labor needs the audacity of grassroots organizations and their reach into new communities,” asserted Janet Shenk, program officer at the Panta Rhea Foundation. “But community groups need labor’s scale and infrastructure, political clout and all that comes with numbers and experience.”

For example, the labor movement has been a major advocate for national health care reform. It has mobilized voters in large numbers. In collaboration with community organizers, it grew and sustained a living wage movement that led to a long-overdue increase in the federal minimum wage. It has helped keep immigration reform on the agenda of federal policymakers.

In fact, over the past 15 years, partnerships between organized labor and community groups have become more common and more sophisticated, resulting in significant policy wins that are helping millions of people. *Strengthening Democracy, Increasing Opportunities*,<sup>2</sup> NCRP’s series of reports on the impacts of advocacy, organizing and civic engagement, has highlighted a number of these partnerships across the country, including:

- In 2003, Albuquerque Interfaith and

teachers’ unions joined forces to secure a state amendment that provided funding for a tiered teachers’ salary structure, which increased earnings, addressed teacher shortages and improved retention in New Mexico public schools.

- The Raise the Minimum Wage Coalition won a \$2 per hour increase in the Pennsylvania minimum wage in 2006, giving 89,000 minimum wage workers a \$3,000 annual raise and also benefiting 410,000 workers earning just above minimum wage.
- In Los Angeles, the Coalition for Safe and Clean Ports, including 39 community and labor organizations coordinated by the Los Angeles Alliance for a New Economy (LAANE), won replacement of old, dirty diesel trucks that compromised the health of truck drivers, residents and business people along transport

corridors. The use of clean trucks will improve health outcomes, reduce deaths and lower medical costs - to the tune of \$2.2 billion.

- The North Carolina Justice Center, state AFL-CIO and many other groups campaigned together to secure enactment of a statewide earned income tax credit in 2007, putting \$59 million per year back into low-income taxpayers’ pockets.
- In 2008, the Transit Partners Coalition, which included Minnesota community groups, the transit workers local, environmentalists and others, won a long-term commitment of state funding for road and transit infrastructure improvements. Conservative estimates are \$85 million per year in new tax revenue for transit.
- Last year, Our Oregon won passage of a ballot measure that increased corporate income taxes and the marginal tax rate on the wealthiest taxpayers, generating \$727 million for the state in just one biennium. “Labor unions were critical to that victory, particularly SEIU, AFSCME, the teachers’ union and the state affiliate of the AFL-CIO. They outspent the opposition,” recounted Quintana. “On election day, unions’ and community groups’ get-out-the-vote efforts achieved the victory.”

Currently, community groups and unions are working on other fronts, such as challenging banks to address the foreclosure crisis, fighting state and local budget cuts and expanding children’s access to health care. They also are joining forces to help the most exploited and abused in the workforce today, including domestic workers and warehouse workers. Unions have developed relationships with immigrant worker organizations and are challenging widespread wage theft by unscrupulous employers. These examples demonstrate the diverse array of

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issues that unions and community groups are tackling together, as well as the broad benefits of their victories for many constituencies.

Regardless of whether a foundation is directly concerned with the plight of workers or it focuses on other issues that intersect with labor's priorities, how can a grantmaker support those common interests? Although foundations cannot give grants directly to unions, they can undertake other activities to promote collaboration between their nonprofit grantees and organized labor. Janet Shenk noted that some foundations already do support 501(c)(3) worker organizations, such as farmworker support groups or worker centers that provide services to immigrant day laborers and advocate for better working conditions. She encourages foundation leaders to take the next step and support groups that are working with mainstream unions to build power in metro areas, or change conditions in major industries.

Once they have developed relationships with labor leaders, foundation staff members can be brokers between community groups and unions, helping each understand the potential value of working with the other. "Our support of community-based organizations builds their capacity to engage effectively in public policy fights," explained Victor Quintana. "If we build grantees' capacity, then they have something to bring to the table when they partner with unions. Once they have a local victory or accomplishment, it signals to unions that they are partnering with folks who can deliver."

Henry Allen added, "We help community groups know the right questions to ask the unions to ensure good partnerships. And we can play a constructive role by talking with unions that are new to this and don't have a clear understanding of the value of collaboration with community groups."

Foundations also can help nonprofits understand which types of activities they may legally participate in with labor. The Alliance for Justice provides information to clarify whether and how 501(c)(3) organizations can attend union-sponsored rallies, collaborate with unions on ballot initiatives or partner in various voter mobilization and education activities.

For foundation leaders and staff members interested in learning more about organized labor, the Neighborhood Funders Group hosts a Working Group on Labor and Community Partnerships (WGLCP). WGLCP was formed in the mid-90s following an NFG conference on jobs and the economy. As Henry Allen recounted, "Here was a very good conference, but for the entire time there was not a single speaker from a labor union. Some of us were struck by the glaring absence at a major conference on jobs of any talk about worker organizing and unions."

As Janet Shenk recalled, "Henry Allen, Sue Chinn and others recognized that the labor movement was changing, with new leadership and it was crucial to the development of a social movement in this country. But unions can be pretty inaccessible to outsiders." According to Shenk, the confluence of growing philanthropic interest in the working poor and union interest in organizing low-wage immigrant workers needed a bridge, and WGLCP was formed to provide one.

Since its founding, the working group has helped educate grantmakers about unions by organizing site visits, learning tours, panel discussions, teleconferences, research projects and "bilateral conversations." WGLCP commissioned groundbreaking research by Janice Fine on the role of worker centers, and more recently it released a related report, *Realigning Labor – Toward a Framework for*

*Collaboration between Labor Unions and Day Labor Worker Centers*, by Nik Theodore. Yet, WGLCP's greatest asset may be its members. Janet Shenk said, "We're small enough that we get to know each other. We call each other for advice and to compare notes. It's very helpful. That's the best thing about the working group."

Its members also are passionate advocates for working with unions. "Our goal is to affect American democracy, by putting issues of equity, fairness and justice on the front burner," noted Quintana.

Henry Allen summed it up: "If your foundation has an interest in lifting people out of poverty, advancing the conditions of low-wage workers, community development, health care or any number of issues, here is a strategy – not to the exclusion of other strategies – of funding collaborations that build the power of community, faith-based groups and unions to achieve policy changes that align with your foundation's interests." ■

Funders interested in learning more about the Working Group on Labor and Community Partnerships may contact either of its co-chairs: Molly Schultz Hafid, Unitarian Universalist Veatch Program at Shelter Rock, [molly@veatch.org](mailto:molly@veatch.org) or Shona Chakravarty, Hill-Snowdon Foundation, [schakravarty@hillsnowdon.org](mailto:schakravarty@hillsnowdon.org).

*Lisa Ranghelli is the director of NCRP's Grantmaking for Community Impact Project, and has written reports on the impacts of advocacy, organizing and civic engagement.*

## Notes

1. Richard Magat, *Unlikely Partners: Philanthropic Foundations and the Labor Movement* (Ithaca, NY: Cornell University Press, 1999).
2. Visit [www.ncrp.org/gcip](http://www.ncrp.org/gcip).