

How should philanthropy respond to attacks on unions?

By Ludovic Blain and Jim Araby

Labor has an important role in the social justice movement – from member leadership development projects to tax-exempt giving to partisan giving. Unions can be effective at communicating a political message to members and increase turnout and support for candidates who support policies that help people of color and low-income communities by unlikely voters.

As rightwing attacks on unions typically cause their decline and diminish labor's ability to create a landscape for better policy outcomes, progressive philanthropy needs new strategies to protect the communities it cares about.

Foundations and high-net-worth donors should understand that we are operating in an environment of declining union support for certain organizations and campaigns.

One result of rightwing attacks on labor unions is that liberal and progressive philanthropy will find itself, and its grantees, in a different ecosystem far less likely to produce the results – the justice – we seek. So philanthropy needs to help stem the tide and prepare for it at the same time. Foundations that seek to make America better for the most marginalized will need to beat back the attacks, thus causing the retreat of labor's power, and to step into the gap caused by that retreat.

Labor spends hundreds of millions of dollars to defeat anti-labor candidates and support pro-labor candidates. The backlash against rights gained by blacks, other people of color, women, immigrants, gays and lesbians, workers

and other people over the last century or so has been fueled by the asymmetric polarization of American politics caused by the rapid shift of the Republican Party to a reactionary platform.

In an overwhelming number of cases, anti-labor candidates are also reactionary on many other issues progressive philanthropy supports, while pro-labor candidates are supportive of those other issues.

IMPACT OF UNIONS ON THE AMERICAN SOCIAL CONTRACT

The existence of unions has made American life better in many ways. Union employees make an average of 30 percent more than non-union workers, 92 percent of union workers have job-related health coverage versus 68

percent of non-union workers, and union workers are more likely to have guaranteed pensions than non-union employees. Further, the gender wage gap for union members is half the size of non-union workers' gap.¹

As labor continues to decline, wages and worker protections do so as well. The union membership rate – the percent of wage and salary workers who were members of unions – was 10.7 percent in 2016. In 1983, the first year for which comparable union data are available, the union membership rate was 20.1 percent.

The impact unions have on the average American goes beyond the workplace; it is also found at the polling place. Union members are 4 percent more likely to vote than non-union



Photo by Fibonacci Blue. Used under Creative Commons license: <https://creativecommons.org/licenses/by/2.0/legalcode>.

members who have similar demographic characteristics.² Additionally, union members are more likely to vote for candidates who support policies that help low-income communities and people of color, such as raising the minimum wage.

Unions run sophisticated political campaigns to turn out their members in high-priority races at the local, state and national levels.

These unions spend incredible amounts of time, energy and money on mobilizing their members to volunteer, give money and vote. Unions contribute directly to candidates at all levels of government. Labor unions also spent \$167 million in the 2016 federal election cycle. This excludes the millions more that are given at the local and state level.

Unions play a vital role creating democracy at the workplace by having an impact beyond the bread and butter issues of wages and benefits. They instill a democratic tradition of getting involved and being active inside the workplace and at the polling place. Attacks on labor union members' rights are a direct attack on democracy itself.

Labor is by far the largest organized sector within the progressive movement. There are 14.6 million union members and an additional 6 million union family members who are eligible to vote. To put that in scale: the ACLU has 1.2 million members; Sierra Club, 3 million members; Color of Change, more than 1 million members; NAACP, 300,000 members; League of United Latin American Citizens has 135,000 members; and Planned Parenthood sees 2.5 million men and women in the U.S. annually.

As labor retrenches, other organizations will need to engage former labor members; otherwise, some of those members are ripe for either joining rightwing movements or becoming apathetic to politics. At the very least, unions directly engaging their members

in improving workplace conditions is part of the social contract that is difficult to replace.

ADVERSE IMPACTS ON LABOR

Twenty-eight states have passed "right-to-work" laws, so misnamed because they actually prohibit private sector unions from requiring all workers covered by a union to pay dues for the cost of representing them. It essentially allows workers to receive all the benefits of joining a union with none of the responsibility to pay the union for those benefits.

Rightwing philanthropy has led this attack on labor. These attackers include the Lynde and Harry Bradley Foundation, which funded "the Freedom Foundation in Washington State" to "defund Big Labor" because "Washington State's liberal labor laws have long allowed it to be a net exporter of union dollars to other parts of the country," as well as funding similar activities in many other states.³

Since the "Tea Party" wave swept the country in 2010, six states passed "right-to-work" legislation (Indiana, Kentucky, Michigan, Missouri, West Virginia and Wisconsin). Many political observers were surprised that the reliable Democratic states of Wisconsin and Michigan went to Trump in 2016, but if you look closer at the data you will see a direct correlation between the passage of "right-to-work" legislation and the decrease in Democratic turnout.

Wisconsin's Act 10 legislation made it more difficult to keep a union certified, which resulted in a drop of union membership from 15.2 percent of all Wisconsin workers in 2009 to 8.3 percent in 2015. After Michigan in 2013 became the 24th state to adopt a right-to-work law, union membership dropped from 16.3 percent to 14.5 percent after the first full year.⁴

These rightwing victories brought real negative change to those states: For example, teachers in Wisconsin saw an

8 percent drop in wages since Act 10 severely limited most public employees' ability to collectively bargain with the government.⁵

Attacks on labor have escalated since 2010 when Republicans took a majority of statehouses and governorships; many of the fights have been waged at the state legislative level. Where Republicans don't have power, they attempt to diminish progressive power at the ballot box.

Even in California, the rightwing and its supporters have attempted to use the ballot box to change the political rules in their favor. Tax exempt groups like the Freedom Foundation attack union members saying that the unions they attack are "a huge political operation in California" and describing themselves as "a frankly political operation."⁶ Three initiatives that would have banned political contributions from unions have been defeated at the ballot in the past 14 years. However, anti-labor groups successfully passed an anti-pension initiative in San Diego in 2012.

WHAT CAN PHILANTHROPISTS DO?

As labor diminishes, there are a few ways foundations and high-net-worth donors can respond:

1. Ask grantees what a retreat by labor will mean for them. Have strategy discussions with them and their labor allies about what each of your sectors should do.
2. Fund power-building strategies for communities to work with allies, including labor, to protect their communities and our society. Foundations in the California Civic Participation Funders table have done so, including directly funding county labor federations to work with community leaders for non-partisan civic engagement, as spotlighted in Bolder Together⁷ and Bolder Together 2.⁸
3. Support innovations in workplace

organizing that elevate wages and benefits and build worker and community power such as the innovations done through the Workers Lab⁹ and Restaurant Opportunities Center.¹⁰

4. Make long-term strategic investments in labor education programs either at the university level (like the UC Berkeley Center for Labor Research and Education¹¹ or the UCLA Labor Center¹²) or within non-profits themselves.
5. Fund more efforts on economic and sectoral studies that engage communities in deeper power analysis on what is happening in the underlying economy.
6. Fund non-partisan candidates (New America Leadership Project,¹³ Wellstone Action¹⁴), appointed (like state-wide Boards and Commission Leadership Institute¹⁵ as well as local ones¹⁶), and government staff (such as the Haas Institute Governing for Racial Equality¹⁷) academies that are tied to other networks can help broaden and deepen understanding of the larger progressive vision for local, state and federal government.
7. Invest in long-term legal research that helps strengthen workplace rights and small democratic participation.
8. Fund organizing at the scale equivalent to the size of labor as an organizer of their own members.
9. Foundations should ensure that their grants are used in the most impactful way possible. That includes ensuring that grantees are taking the 501(h) election, so their groups can lobby strongly. Public foundations, like community foundations, should encourage their grantees to start up 501(c)(4)s and give c4 funds.
10. High-net-worth donors need to

continue to expand their efforts over the past decade using non-tax-exempt dollars to support candidates aligned with progressive policies that those donors have been supporting through 501(c)(3) giving.

Attacks on labor, just like those on Planned Parenthood, and other progressive anchor institutions are part of a white American nationalist backlash. These backlashes happen regularly, attempting to retrench all the rights won in the previous era. They've have been described as "redemptions," and the preceding periods where rights were fought for and won are called "reconstructions." We need to make this most recent American redemption¹⁸ shallow and short-lived. This needs to be America's last redemption. ■

Ludovic Blain is director of the California Donor Table.

Jim Araby is the executive director of UFCW Western States Council.

Notes

1. Katherine Gallagher Robbins and Joan Entmacher, "Gender Wage Gap for Union Members Is Half the Size of Non-Union Workers' Wage Gap," National Women's Law Center, Jan. 24, 2014, <https://nwlc.org/blog/gender-wage-gap-union-members-half-size-non-union-workers-wage-gap/>.
2. Richard B. Freeman, "What Do Unions Do to Voting Turnout?" Russell Sage Foundation, <http://www.russellsage.org/research/social-inequality/working-papers/freeman-voting-turnout>.
3. Mary Bottari, "Bradley Foundation Bankrolls Attacks on Unions," The Center for Media and Democracy's PR Watch, May 8, 2017, <http://www.prwatch.org/news/2017/05/13239/bradley-foundation-bankrolls-attacks-unions>.
4. Brent Snively, "Michigan union membership falls to 14.5%," *Detroit Free Press*, Jan. 23, 2015, <http://www.freep.com/story/money/business/columnists/2015/01/23/union-membership-michigan-right-work-fall-state/22219305/>.
5. Alana Semuels, "How to Kill the Middle Class," *The Atlantic*, Dec. 7, 2016, <https://www.theatlantic.com/business/archive/2016/12/unions-wisconsin/509798/>.
6. Margot Roosevelt, "The Freedom Foundation wants to fight Democrats by busting a California homecare union," *The Orange County Register*, April 8, 2017, <http://www.ocregister.com/2017/04/03/the-freedom-foundation-wants-to-fight-democrats-by-busting-a-california-homecare-union/>.
7. Evelyn and Walter Haas Jr. Fund, "Bolder Together," <http://www.haasjr.org/resources/bolder-together>.
8. Evelyn and Walter Haas Jr. Fund, "Bolder Together 2," <http://www.haasjr.org/resources/bolder-together-2>.
9. See The Workers Lab website: <https://theworkerslab.com/>.
10. See Restaurant Opportunities Centers United website: <http://rocunited.org/>.
11. See UC Berkeley Center for Labor Research and Education website: <http://laborcenter.berkeley.edu/>.
12. See UCLA Labor Center website: <https://www.labor.ucla.edu/>.
13. See New America Leadership Project website: <https://www.newamericanleaders.org/>.
14. See Wellstone Action website: <http://www.wellstone.org/>.
15. See Boards and Commission Leadership Institute website: <http://www.urbanhabitat.org/leadership/bcli>.
16. See Center on Policy Initiatives website: <http://www.cpisandiego.org/bcli/>.
17. See Haas Institute Governing for Racial Equality website: <http://haasinstitute.berkeley.edu/gare>.
18. "Reconstruction vs. Redemption," National Endowment for the Humanities, Feb. 11, 2014, <https://www.neh.gov/news/reconstruction-vs-redemption>.