

Address to the IAM Directors Meeting
January 4, 2005

Some labor leaders think the American labor movement is weak and growing weaker. They exude pessimism. They are so enamored with their Ivy League degrees and their family connections that they would destroy the AFL-CIO to save it.

These leaders believe that a very public vasectomy – a big snip here, a big snip there – will strengthen their unions. It will not. It will leave them – and us – physically incapable of reproducing a new generation of trade unionist.

These leaders can blog themselves silly ... spin immature strategies to “build new strength” ... plot palace coups against John Sweeney ... and convince some reporters that they are the future of the labor movement. But they cannot overcome their biggest liability.

Andy Stern ... wants to grow the labor movement by shrinking it.

Is there method in this madness?

You bet there is.

The international headquarters of the AFL-CIO’s 58 affiliates spend over 6.5 BILLION dollars each year.

The American labor movement may be a lot of things, but it is not bankrupt. It is not destitute. It is not weak.

But it could be.

Willie Sutton was asked once why he robbed banks. His answer was “that’s where the money is.”

In the American labor movement, the really serious money is in its sixty autonomous affiliates.

So, Andy Stern wants to collapse those 60 unions into 20 mega-unions. If he succeeds, it will be the biggest bank heist in history, a \$3 billion dollars robbery.

Those forty smaller unions disperse over \$3 BILLION each and every year!

In an armed robbery, a lot can go wrong and usually does.

Andy Stern and his Nupsters want to eliminate forty diverse and democratic unions – forty unions with distinctive histories and different cultures – and disenfranchise three or four million union members in the process.

That is a recipe for disaster.

Those forty forced mergers would lead to intra-union and inter-union warfare for a decade.

So, just when real solidarity is needed to combat Corporate America and its three stooges – George Bush, Bill Frist and Dennis Hassert – that step alone would splinter the strength of the American labor movement.

“Not so fast,” Stern and his allies say. “Look at the last election. We lost. We cannot win the White House unless we reorganize, reorganize and reorganize. Follow our lead.”

The fact is we *did* follow their lead. And we still lost.

Write down these numbers:

	Union Households	2004 Turnout
New York	38%	47%
Illinois	36%	54%
New Jersey	34%	53%
Washington	27%	41%
California	27%	38%

The first number is the percent of the vote from UNION households in the 2004 presidential election. The second number is the voter turnout in the 2004 election.

Those five states produced 15.1 million votes for the Kerry-Edwards ticket – 27 percent of all the votes they received.

How many more votes might those five states have produced?

No one can be certain. But Wisconsin and Minnesota, with 28 and 30 percent of their votes coming from union households respectively, saw turnout levels of 72 and 73 percent. That’s 25 to 30 percent higher turnout.

And yet, those five heavily unionized states – New York, Illinois, New Jersey, California and Washington -- saw NO candidate appearances, NO television ads, NO activity by the 527’s, and NO efforts by the AFL-CIO or its affiliated unions.

Whose fault is that?

The same guys who now say “follow us.”

Even before passage of McCain-Feingold, Steve Rosenthal and his beach house buddy Andy Stern were targeting states like New Hampshire, Colorado, Virginia, Louisiana, Nevada, Maine, and Arizona. Their lock-step troika of 527's spent over 260 million dollars in up to 20 states only to lose 16 of their targeted states.

Now along comes Andy Stern screaming that the sky is falling.

And why?

Because John Kerry lost Ohio by 119,000 votes!

Hells bells, the IAM knew Ohio was lost the moment the Kerry campaign decided our convention would be an “off the record” event for its vice-presidential candidate.

We knew then that John Kerry didn't understand the importance of the Cincinnati television market ... didn't understand the power of the JOBS! issue in Ohio ... and did not connect with working men and women in the most critical battleground state of all.

We knew that the Democrats and their 527's were wasting millions of dollars trying to persuade the undecided voters in the smallest states of the union.

But Andy Stern wants to blame everyone else for that defeat. He refuses to take responsibility for his role – and his pal Steve Rosenthal's role – for their strategy, a strategy that wasted precious resources on tiny states.

They left the most powerful and potent unionized states out of their electoral equation. And, as a result, they lost the popular vote by 3.5 million votes.

And they lost Ohio.

But, if failure breeds failure, then hubris breeds chutzpah.

Strutting comes naturally to a peacock. When the male peacock senses danger, it spreads its feathers to make itself look impressive.

And that's what Andy Stern and his Nupsters are doing.

Acting big.

Acting bad.

But it's all feathers and a rather small peacock.

Right now, Andy Stern and the Nupsters have exactly 30.39 percent of the AFL-CIO General Board votes. And John Sweeney has 59.48 percent.

If President Sweeney is willing to fight – and I mean really fight for the future of the American labor movement – the issue is moot.

If John Sweeney retires ... caves in to the Nupsters' demands ... or cuts too many deals with them, he will doom labor to a decade of irrelevance and impotency.

It will be a voluntary, self-inflicted vasectomy.

No doubt, the AFL-CIO has problems. Reforms are needed. A refocusing of its resources is long overdue. Re-evaluating its programs and personnel should be an annual rite of passage.

But the new initiatives must come from within the federation, not from the fringes of the labor movement.

The new directions must flow from thoughtful discussions, not be delivered as fiats and accompanied by threats.

And the new strategies cannot be based on faulty assumptions or flaky theories.

We cannot tinker and toy with the trappings of labor's power. If the next fifty years are going to prove as productive as the last fifty years – and there have been dramatic changes in the quality of life and the net worth of working families over those five decades – then we must think outside the box.

So here's an idea that is way outside the box:

Let's invest \$188 million – let me emphasize the word MILLION – in projecting a positive image of the American labor movement.

Now \$188 million is nothing to sneeze at. It is half way between what the IAM and the AFL-CIO disperse each year.

But here's what that \$188 million can buy:

- 580 employees;
- seven domestic TV networks that reach 40 million households;
- three international TV networks that reach 37 million household;

- a series of websites that provide video on demand, the latest news and life-style reports and an e-commerce capability;
- an internationally recognizable trademark;
- five offices, two production facilities, a warehouse; and
- a mansion.

So, for \$188 million – about \$20 million more than what the AFL-CIO now spends each year – you, too, could be ... Hugh Heffner.

Yep. \$188 million is the operating revenue for Playboy, Inc. excluding its magazine. Toss in the magazine and the figure rises to about \$250 million – or the level of expenditures of the SEIU.

The Playboy publishing, television and on-line empire is a huge pipeline for sex, culture, news, life style and politics. But at its core, Playboy is a message delivery system that has adapted to the advances in communication technology over the last fifty years.

What is remarkable is not that sex sells. What is remarkable is that Playboy's investment in cable television distribution systems and programming has a worldwide audience, an audience that will pay \$20 to \$30 per month for its Spice and Playboy productions, and audience that will make its investment pay off.

But Playboy is not alone – not in cable, not on-line.

When kids, women, gays, tennis players, computer gamers, Trivia and Dallas Cowboy fans, Hispanics, the National Rifle Association and international travelers – all have their own cable television channel, organized labor must also.

When Ronald Reagan's Rasputin – Roger Ailes – can create FOX News, Fox News Channel, CNBC, and MSNBC and a host of other cable news shows tied to General Electric, then we have to find a way to compete.

Go look at the MSNBC portal. It's where the Internet, cable television and news come together.

Forget about aping what the Republicans did in the last election. MSNBC is what Corporate America is investing in today – the future of domestic and international communications – where they provide wall-to-wall, primetime programming that parallels and parrots their corporate philosophies.

The America labor movement needs to carve out a niche for itself in that future. It needs to expend real resources on getting our own message out.

It needs to do the self-marketing on its own cable network and remind its viewers “union members live better.”

And it needs to take that simple message to a global audience.

In this world, if you are going to be somebody important, you’ve got to be seen as important. And today the only way to be seen as important is to be seen on television, to be seen by millions of eyeballs on the Internet, to use your power decisively.

A 6.7 billion dollar movement can do that ... and more.

A 6.7 billion dollar movement can forge a new solidarity. We can celebrate our successes over the last 50 years while we use our power to win new victories.

A 6.7 billion dollar movement can get our vote out in the elections of 2005, 2006 and 2008. And by winning those crucial gubernatorial elections, we can use our power to win the White House next time.

A 6.7 billion dollar movement can fund a labor news network. By delivering content to the television sets and computers, we can use our power to persuade potential members to join us.

And, a 6.7 billion dollar movement can prove to the world that we’ve still got the ‘nads to grow our movement and reproduce the victories that catapulted so many of our members into the great American middle class.

The antidote to what ails us is not a very public vasectomy.

It is to use our power decisively, to use our power with sheer determination.