



ACORN's Troubling Ties To U.S. Labor

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Briefing

As the labor movement seeks to reverse its membership decline and build its political power, it will continue to ally itself with the increasingly powerful ACORN – whose family of organizations projects an operating budget of \$110 million in 2008 with \$35 million earmarked for targeted voter registration and get-out-the-vote efforts.

Despite its own record of alleged union busting and poor treatment of workers, ACORN has become a growing presence within the union movement. An examination of financial disclosure documents reveals a troublingly strong connection between an ostensibly non-partisan, non-profit community organization and the labor movement. In fact, ACORN and its affiliates took in more than \$2.9 million from labor organizations last year to plot and execute an entire range of union activities, including:

- training organizers to devise and carry out anti-corporate campaigns
- providing “strike support”
- “organizing campaign research and staffing”
- “protecting market share”
- even collecting a “monthly retainer”

Some of these activities raise significant legal and regulatory questions.

Government officials, industry and free-market allies must maintain a watchful eye and take action as needed to properly regulate the organization and highlight ACORN's troubling record of voter fraud, misuse of taxpayer money, and hypocritical efforts to block its own employees from unionizing.

Background

ACORN, the Association of Community Organizations for Reform Now, has an extensive history with the labor movement. ACORN founder Wade Rathke started SEIU Local 100 (which resides in ACORN's office building and pays tens of thousands of dollars each year to ACORN-related organizations in the form of fees), and the organization founded what is currently the 20,000-member SEIU Local 880 in Illinois (which paid ACORN \$60,000 for “membership services”).



More recently, the Service Employees International Union (SEIU) and United Food and Commercial Workers (UFCW) have turned to ACORN to help train their staffs and devise anti-corporate campaigns, most notably against Wal-Mart. Rathke founded groups including the Wal-Mart Alliance for Reform Now and the Wal-Mart Workers Association — both run out of ACORN's offices.

As union financial disclosure forms from 2007 show, ACORN and its subsidiary organizations have become a one-stop shop for unions looking to contract out labor activities. This begs serious questions about the legitimacy and good-faith efforts of ACORN's activities in the community, as well as raising serious legal questions for the Department of Labor as to whether it should regulate ACORN as a labor organization.

In The Numbers

Strategy and Staffing

The SEIU, the UFCW, and their Change To Win umbrella federation routinely hire ACORN entities to support and join their campaigns. This includes, but is not limited to, the joint campaign to unionize Wal-Mart's staff and demonize its corporate leadership. Department of Labor financial disclosure forms for Fiscal Year 2007 show:

- SEIU paid ACORN founder and chief anti-Wal-Mart strategies Wade Rathke \$21,885 in salary and \$5,233 in expenses for his role as a "campaign project organizer"
- SEIU International gave a \$50,000 contribution to "Walmart Associations" at SEIU Local 100, care of ACORN founder Wade Rathke
- SEIU HQ paid a \$126,000 "subsidy" to the Wal-Mart Alliance for Reform Now, which is housed and operated by ACORN
- Change To Win paid ACORN \$30,000 for a "public awareness campaign"
- *SEIU's National Headquarters twice recorded payments to ACORN of \$40,000 as a "monthly retainer"*

Training Union Organizers

ACORN's ACLOC program, which trains community activists and labor employees, took in more than \$1.5 million to train union staff and work on organizing campaigns:

- SEIU's National Headquarters paid more than \$970,000 to ACORN's ACLOC program
- SEIU Local 5 paid ACLOC \$58,487 for an internship phase and an "organizing partnership"



- *UFCW's National Headquarters hired ACLOC as a "consultant for organizing program" (almost assuredly for its anti-Wal-Mart efforts) for \$429,431*
- *UFCW Local 876 paid ACLOC \$131,089 for a "community standards campaign"*

Direct Union Organizing And Staffing

In many cases ACORN and its affiliates go beyond simply providing support for labor activities and instead directly provide administrative work and participate in organizing campaigns:

- *The Communications Workers of America paid NJ ACORN \$39,510 for "Local/District/Sector/HQ Office Administration" — the timing of which coincides with a joint organizing effort between the union and ACORN*
- *SEIU paid ACORN \$100,000 for its "hospital accountability" project that continuously attacks Chicago-area hospitals that have yet to agree to unionization*
- *SEIU paid ACORN more than \$50,000 for a "GGP campaign"*
- *SEIU paid ACORN \$21,054 for the union's "LA security blitz" in which it has been attempting to organize security-firm employees in Los Angeles for years*
- *Change To Win paid California ACORN \$70,200 for "organizing campaign research and staffing" and \$98,061 to Washington ACORN for "organizing research and staffing" and "community activism."*

Aggressive Action for Unions

ACORN's direct role in organizing campaigns is cause for question. Its other activities are cause for concern. In 2007, *UFCW Local 101 paid ACORN \$75,090 for "protecting market share"* plus an additional \$61,721 in non-itemized fees. Meanwhile, *SEIU Local 1877 paid ACORN \$10,000 for "strike support."*

Conclusion

As ACORN continues to grow into an activist behemoth, its ties to the multi-billion-dollar labor "industry" should be cause for a review of its vast operations. In particular, advocates of sound labor policy must question and examine its role in being paid for its labor agenda.