

Contact: Sandy Harrison,  
Communications Director  
(916) 443-3302 • Fax (916) 443-8204  
sharrison@sbctc.org  
[www.sbctc.org](http://www.sbctc.org)

# BUILDING TRADES BULLETIN

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## New York Times Analyzes Proposition 32: “Starkest Threat” to Union Workers

The nationally-read *New York Times* has weighed in on California’s Proposition 32, concluding that it is the “starkest threat” to our state’s union workers, and that it would cut off union participation in state election campaigns. Further, the story adds, the much-hyped restrictions on corporate campaign spending “are far less stringent” than the provisions that cripple unions. Here is an electronic link to the story at the paper’s website, followed by the full text. [http://www.nytimes.com/2012/10/02/us/politics/battle-over-unions-moves-to-california.html?pagewanted=all&\\_r=1&](http://www.nytimes.com/2012/10/02/us/politics/battle-over-unions-moves-to-california.html?pagewanted=all&_r=1&)

## California Is Latest Stage for Election Battle Over Unions



Monica Almeida/The New York Times

A phone bank at the International Longshore and Warehouse Union Local 13 office in San Pedro, Calif. Workers there are trying to defeat Proposition 32.

By [ADAM NAGOURNEY](#)

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LOS ANGELES — The battle to curb labor’s political clout has moved from Wisconsin to California, where wealthy conservatives are championing a ballot measure that would bar unions from donating to candidates. Labor leaders describe it as the starkest threat they have faced in a year of nationwide challenges to diminish their once-formidable power.

A sign in the window of the San Gennaro Cafe in the Brentwood district of Los Angeles shows support for the proposition.

The measure, [Proposition 32](#) on the November ballot, would prohibit both unions and corporations from making contributions, but the corporate provision is far less stringent than the one aimed at unions, analysts said. If passed, it would also bar unions from using automatic payroll deductions to raise money for political campaigns, a major source of labor’s political funding.

“This would be a big deal for unions if it passes since it would largely cut off their participation in state and local California politics,” said Daniel J. B. Mitchell, a professor emeritus at the [U.C.L.A.](#) Anderson School of Management.

The prospect that Proposition 32 could become law in an overwhelmingly Democratic state that has a rich history of union activism has alarmed labor leaders. A victory here, they argued, would pave the way for similar efforts across the nation.

“This is intended not to hobble us, this is intended to eviscerate us,” said Art Pulaski, the head of the [California Labor Federation](#). “If they can do it in California, they can do it everywhere and anywhere.”

Supporters of the proposition described it as an evenhanded attempt to curb special interests, pointing to language addressing both unions and corporate donations. The payroll deduction applies to unions as well as corporations, though sponsors of Proposition 32 said the corporate use of payroll deductions in California was rare.

“We wanted to do something that hit hard at the unions and the corporations that are responsible for creating deep discord in California,” said Michael D. Capaldi, a former chairman of the Lincoln Club of Orange County, a conservative organization, who helped write the initiative. “So we drafted an initiative that deals with both unions and corporations. We don’t say it affects them both equally, but it does affect both significantly.”

Unions have raised more than \$37 million to defeat the proposition, with most of the money coming from the California Teachers Association. Proposition 32, which was drafted by the Lincoln Club, whose members have included Richard M. Nixon and John Wayne, has raised about \$9 million. Most of the proposition’s financial support comes from the America Future Fund, an organization with ties to the donor network spearheaded by Charles and David Koch, the billionaire industrialists who have contributed heavily to defeating President Obama and were big backers of Scott Walker, the Republican governor of Wisconsin who championed measures to severely curb the power of public employee unions there.

The second major backer is Charles T. Munger Jr., a wealthy physicist who was the largest contributor to a 2010 initiative creating a nonpartisan commission to draw Congressional and legislative district lines.

Opponents say that if Proposition 32 wins, they would almost certainly challenge it in court.

Polls show the contest as tight, with opponents having an edge. In a U.S.C. Dornsife/Los Angeles Times poll [released last week](#), 44 percent of respondents said they would oppose Proposition 32, compared with 36 percent who said they supported it. But 19 percent said they remained undecided.

By design or not — and some union officials said they believed it was by design — the fight has forced unions to divert money from what had been their top priority: winning approval of [an initiative by Gov. Jerry Brown](#) to pass temporary tax increases to head off nearly \$6 billion in new cuts in state spending.

“Labor has to stop everything it is doing to defend against this,” said Peter Dreier, the director of the Urban and Environmental Policy Department at Occidental College. “It’s pretty effective in forcing the unions to spend a lot of their resources to stop this from passing.”

Proposition 32 has drawn opposition from the League of Women Voters and major editorial boards, because of its unequal treatment of labor and corporations. The ban on contributions would not apply, for example, to limited corporations and real estate trusts, two major sources of business contributions here.

“If Proposition 32 did what supporters claim — limit all special interest money from corrupting the political system — we would heartily endorse it,” The San Jose Mercury News said in [an editorial](#). “It doesn’t. It is a deceptive sham that would magnify the influence of wealthy interests while shutting out many middle-class voters.”

Chris Carson, the program director of the League of Women Voters in California, said the proposal “sounds good.”

“But the fact is,” she said, “it really isn’t going to matter to corporations. It has to be fair and balanced.”

The fight comes at a time when labor has already lost high-profile battles to prevent Wisconsin, and then Ohio, from severely restricting bargaining rights for public unions, though the Ohio law was repealed in a labor-backed referendum last November. Mr. Dreier said the battles in Wisconsin and Ohio were “all part of an attempt to destroy the labor movement as a political voice for working people. But this goes much further.”

Mr. Munger, who gave \$12 million to the redistricting initiative, has donated \$1 million to the Yes on Proposition 32 campaign, as well as an additional \$4 million to a committee that is supporting this initiative and opposing Mr. Brown’s tax initiative. Mr. Munger, the son of a wealthy industrialist — his sister, Molly, is backing another California initiative to raise income taxes by \$10 billion for education — declined to say how much he was prepared to give.

“I believe the ‘yes’ side will have enough to make sure that people hear the ‘yes’ side of the argument,” Mr. Munger said. “It’s a stronger argument. It’s a simple proposition. The citizens of California have a perception that most of what influences Sacramento these days has little to do with the individual and a lot to do with people who have money.”

Mr. Capaldi said that the initiative “will take millions of dollars out of politicians’ pockets. It will weaken both corporations and unions.”

The proposal to eliminate union payroll deductions has been, in various forms, on the ballot here twice in the past 14 years, and failed both times. The prospects for this version are viewed as stronger because it includes corporations, and because of a decline in the image of labor.

“If you poll people, it sounds fair: it takes a careful eye to understand it’s a sham,” Mr. Pulaski said.

Nelson N. Lichtenstein, a professor of history at the University of California, Santa Barbara, said the initiative would fundamentally shift the balance of power in California at the expense of unions. One

immediate effect, analysts said, could be to limit labor's power at a time when state lawmakers have been under pressure to curb pension benefits for public employees.

"It would have a dramatic impact," he said. "It would wrack havoc with California politics."