

# SEIU chief Andrew Stern to resign

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Andrew Stern, president of the Service Employees International Union (SEIU), announced plans to resign last week, two years before the end of his current term. He has headed the SEIU since 1996.

Stern's resignation at the relatively young age of 59 has fueled speculation regarding his future plans. Stern denied any political ambitions. However, he indicated he will keep his post on the newly created National Commission on Fiscal Responsibility and Reform. This 18-member panel, set up by the Obama administration, is tasked with developing proposals for drastic budget cuts, including cuts to Social Security and Medicare.

Predictably, Stern's departure evoked paeans of praise from the *Washington Post*, the *New York Times* and the rest of the liberal media. They hailed his "success" in swelling the ranks of the SEIU to the largest union, with 2.1 million members. Many of these new members are workers paid at or below poverty level who now are forced to pay dues to finance the union apparatus.

At the same time, the media noted the critical role played by Stern and the SEIU in bankrolling the presidential campaign of Barack Obama and Stern's strenuous lobbying on behalf of Obama's health care legislation.

There is nothing remotely progressive in any of this. Stern is the personification of the corporatist degeneration of the trade unions and their transformation into little more than appendages of management. Stern's resignation comes with the SEIU and the US trade unions as a whole in terminal crisis. While the SEIU has added members, nationally overall trade union membership is at its lowest level in more than a century, with strike activity near zero.

The SEIU has benefited from the increase in service jobs, the one sector that has expanded in recent years, even as the number of workers employed in

manufacturing has plummeted. The SEIU added some 850,000 members during Stern's presidency, putting an additional \$300 million in annual union dues in its treasury.

The SEIU won new members, not through militant organizing, but by demonstrating to employers its willingness to surrender workers' elementary rights. For example, in contracts signed with Sodexo and Compass Group USA, employers who provide contract workers to clients such as hospitals and universities, the SEIU agreed to secret sweetheart deals that gave up the right to strike or to even criticize management. Workers were not only denied the right to vote on union certification, but did not even realize they were joining a union. A leaked SEIU memo advised, "We honor the confidentiality and do not publically disclose the existence of these agreements."

The SEIU further bolstered its dues base through "poaching" members from rival unions. In recent years, the SEIU has been involved in a series of factional disputes. In 2005 the SEIU spearheaded the formation of the Change to Win coalition and split from the AFL-CIO. The walkout was in large part motivated by the SEIU's claim that other AFL-CIO unions, such as the American Federation of State County and Municipal Employees and even industrial unions such as the United Auto Workers, were encroaching on its turf.

Following the split, the SEIU came into conflict with its coalition partners. Last year UNITE HERE, the combined needle trades and hotel and restaurant workers union, split from the Change to Win and rejoined the AFL-CIO in the midst of a fight over "jurisdiction." There were also allegations that the SEIU had a scheme to lay hold of the UNITE HERE-owned Amalgamated Bank and its more than \$4 billion in net assets.

Last year the SEIU put a 150,000 member California affiliate, United Healthcare Workers West, into

receivership, dismissing its president and 100 elected officers to settle an internal power struggle. The trouble first erupted when details of some of Sodexho and Compass deals and other SEIU skullduggery were leaked to the public.

Meanwhile, the SEIU has poured money into the coffers of the big business politicians of the Democratic Party. The union spent some \$85 million to support Obama and other Democrats in the 2008 campaign, more than any other political action committee. Stern maintained close ties to the White House, even as the Obama administration carried out savage attacks on auto workers and teachers, while handing over trillions to bail out Wall Street.

Stern visited the White House more than 20 times during Obama's first six months in office, making him the most frequent outside visitor. Stern aggressively promoted Obama's regressive health care legislation, with 400 full-time SEIU staff assigned to lobbying. As part of his lobbying effort, Stern formed a partnership with Mike Duke, CEO of the notorious low-wage employer Wal-Mart. Stern also issued a joint statement with Jeff Kindler, CEO of pharmaceutical giant Pfizer, touting Obama's healthcare plan.

In a recent interview with the Ezra Klein of the *Washington Post*, Stern articulated the chasm separating the well-heeled leaders of the official labor movement and the working class, repeatedly referring to the need to start with the "economic reality" of employers. The SEIU partnership with Wal-Mart, he boasted, "shifted the healthcare debate." It showed that the SEIU could "talk about what's good for America competitively, not just what's good for American workers."

Speaking on the role of unions in the 21st Century, he insisted that they must help reconcile workers to the destruction of all past gains. Unions, he said, must "deal with the fact that workers are going to have seven or 12 jobs during a lifetime," and he questioned whether "defined benefit pensions can really exist in the long run in a globalized economy." This from a man who leaves the SEIU with a \$152,000 annual pension.

These are the credentials Stern brings with him to Obama's debt commission, a panel charged with providing a bipartisan cover for a massive assault on the working class, aimed at forcing workers to shoulder

the full burden of the economic crisis.

Stern's transition from union chief to budget cutter is an organic one. From enforcing attacks on the working class as head of the SEIU, he will now play the same function as he works to formulate government policy on social programs.

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