

SEIU union leader convicted on federal charges

Allison Smith, Marc Wells
19 February 2013

Last week, a federal court in Los Angeles, California convicted former United Long Term Care Workers (ULTCW) President, Tyrone Freeman, of 14 criminal charges, including mail fraud, tax evasion and embezzlement of thousands of dollars from the union. The US Attorney's Office argued that Freeman diverted reimbursement payments from a public-sector union that had close ties to the SEIU local.

The prosecutors alleged that Freeman collected \$2,500 per month from Local 6434 and the California United Homecare Workers (CUHW), which was established in 2005 by SEIU and the American Federation of State, County, and Municipal Employees to represent public sector employees working in the home care industry in California. Many of these workers live on a salary that is close to minimum wage.

The indictment read: "From in or about January 2007 through on or about August 22, 2008, defendant Freeman concealed from the Local 6434 Executive Board and the CUHW Executive Board that, through the scheme, defendant Freeman was receiving payments of \$2,500 per month in addition to the regular salary that he received from Local 6434." That salary is reported to have been close to \$200,000, one of the highest among union bureaucrats. According to two of the embezzlement charges, Freeman allegedly stole money from Local 6434 by channeling funds through a non-profit organization closely aligned with the union—the Long Term Care Housing Corporation (LTCHC)—organized in 2004 for the purpose of developing affordable housing for union members.

Freeman's union, the ULTCW, a local affiliate of the Service Employees International Union (SEIU), represents more than 180,000 in-home care providers and nursing home workers from ten California counties, making it the largest union of long-term

caregivers in California and the second largest SEIU local in America. Wages are often around \$9.65 per hour.

The crimes for which Freeman has been convicted are certainly despicable: he stole from the workers he allegedly represented, on top of converting union dues into a luxurious annual salary for himself. However deplorable, these crimes only reflect the treacherous character of the political role played by Freeman and his ilk in the union bureaucracy.

Tyrone Freeman began his career in the labor movement by leading union organizing drives in the southern United States. He steadily rose up the leadership ranks of the SEIU thanks to the support of SEIU's former president Andy Stern, and by 1999 he was elected to the position of President of the SEIU Local 434B, one of the largest and newest locals in the country. In 2006 with the reorganization of SEIU's Local structure in California, he was appointed President of SEIU Local 6434, now known as the United Long-Term Care Workers' Union. Freeman also served on the Prison Industry Board of Directors, a corporate board advising the California Prison Industry Authority (CALPIA), which is an entity within the California Department of Corrections and Rehabilitation (CDCR) that develops and operates industrial, agricultural, and service enterprises exploiting prison labor.

The criminal case against Freeman stems from a 2008 inquiry by the Los Angeles Times and advocates for low-wage caregivers who demanded an investigation into the spending practices of the SEIU and a union-related charity that paid hundreds of thousands of dollars to companies owned by Freeman and several of his immediate family members.

But Freeman's convictions are a reflection of a

pervasive modus operandi of corruption developed by the unions: to extract concessions from workers to the employers and to provide the necessary support to official policies aimed at impoverishing the working class, while maintaining fat salaries and exotic expense accounts.

The political crimes of the SEIU are numerous. In California, Governor Jerry Brown's austerity cuts would not have been possible since his installation without the unconditional support of the union. The list of measures supported by the SEIU includes Brown's pension "reform," which represent a historic repeal of past gains, the governor's painful cuts to Medi-Cal and CalWORKs, and his strategy of privatization of public education.

Significantly, the SEIU's endorsement for president Barack Obama's reelection flew in the face of the union's members. While they perform crucial work, from health care to building cleaning, and barely live from paycheck to paycheck, Obama has bailed out the richest elements of American society to the tune of hundreds of billions of dollars, while spearheading unprecedented attacks on democratic and constitutional rights.

In a statement regarding Freeman's conviction, Sal Rosselli, former SEIU UHW-West president and current president of the National Union of Healthcare Workers (NUHW)—resulting from a split in the SEIU in 2009—callously bemoaned that it is outrageous that the union did nothing to prevent this scandal in the first place. In a statement to the Los Angeles Times, Rosselli said, "When union bosses get all the power and they're not accountable to their members, it leads to the corruption that is spelled out today in the conviction of Tyrone Freeman."

Rosselli's criticism is part of a strategy to contain the damages of this latest union scandal by trying to distance his union from the SEIU in a phony attempt at differentiation. By moralizing the Freeman scandal, Rosselli seeks to conceal the true character and political role of the union he heads—a union that is in principle no different than the SEIU.

In 2008, Rosselli came into conflict with SEIU chief Andy Stern over Stern's leadership methods, but in the end, Rosselli's politics were revealed to be just as debased as Stern's; while still in the SEIU leadership, he was a strong supporter of Obama's reactionary

presidency and policies. In line with the Obama administration, Rosselli and his cronies have stripped their members of all bargaining strength and forced them to accept concessions that have left them much worse off economically.

Last year in California, the revised budget proposed by Governor Brown hinged in large part on collaboration with the SEIU to impose a 38-hour, four-day work week and other concessions that require re-opening contracts. SEIU Local 1000 President Yvonne Walker, who represents thousands of California state workers, made clear in messages to members that the union was prepared to force concessions on the workers. "Under Governor Brown, we have a seat at the table," said Walker. "We have offered our own proposals to deal with this crisis."

Virtually all of the SEIU proposals were included in Governor Brown's revised November 2012 budget: among others, eliminating retired annuitants from the state payroll as well as implementing a four-day work week. Walker assured the members of her local that she would continue to contribute "cost-saving" ideas and invited SEIU members to contribute their own.

Unions cannot be reformed by simply replacing corrupt leaders. Their objective role is to suppress any resistance to the destruction of jobs and living standards and to channel opposition into support for the Democratic Party. A break with the unions as well as the Democratic Party will be a question of life and death for the development of a working class movement seeking to overthrow capitalism, a historically spent and thoroughly corrupt system which is set on a course to destroy the social position of workers at all costs.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact