

Architect of rebellion

Stern led defectors from AFL-CIO, which has led to more Stern detractors

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Several years ago the Service Employees International Union, a giant union that does not like to lose, approached Advocate Health Care, the Chicago area's largest health-care chain, with a deal. They would become Advocate's partner in helping hospitals fight for better health care.

But they also wanted to sign up Advocate's 24,000 workers without a battle.

Advocate wasn't interested, however, and war ensued.

The union issued damning reports, picketed executives' homes, got sympathetic legislators to launch investigations and turned out at hearings to oppose initiatives ranging from bond offerings to new buildings. Advocate's officials were upset by the union's tactics.

They shouldn't have been surprised.

The 1.8 million-member SEIU is not your standard union. It is the union that led last week's boycott by dissident unions of the AFL-CIO during its Chicago convention and then quit the federation along with the Teamsters and United Food and Commercial Workers union in a mark of labor's division.

The rival coalition it has inspired is also certain to bear the stamp of the SEIU and its president, Andy Stern, who favors big, new ideas and says labor has to be in a hurry because of its rapidly sinking fortunes.

"People think of unions as old-fashioned, inflexible--male, pale and stale," Stern said last week in Chicago. "They [unions] should be elastic and expandable to meet different employers' needs. Unions created barriers to change as the world changed. We became a drag on change. Now the question is how do we become strong voices for workers. We need a new set of ideas that aren't going back 70 years."

Under Stern the SEIU has added 700,000 members in the last 10 years, which is a feat since most unions are shrinking. It has opened six international offices and launched talks with unions globally so it can confront global companies. It has thrown more money into organizing and politics than other unions. Union members have also seen their dues doubled.

Across the U.S. the union has booted local leaders either for corruption or because they didn't go along with the union's new game plans. And it has merged small locals with others, sometimes far away.

Not all that the SEIU does is new. "But they put it together better than anyone else," said UCLA labor expert Ruth Milkman.

The force behind most of these moves is Stern, 54, a former Pennsylvania welfare worker who became a local president at age 27. He was a protege of AFL-CIO and former SEIU head John Sweeney, whom he turned against this year, accusing him of lacking the guts for the decisions labor needs.

Stern is a loner, who was deeply moved by the death several years ago of a teenage daughter. As Stern explains it, he realized life is brief and people need to act on what matters. Soon after

that his marriage also ended. Ever since, he has been almost obsessed with his union work, colleagues say.

Recently he turned daily operations over to Secretary-Treasurer Anna Burger, allowing Stern to step back and think about larger issues.

"What's different about him is that he looks for what's bigger and better," said Cornell University labor expert Rick Hurd.

In March, for example, Stern spoke to an audience of chief executives and venture capitalists at the PC Forum, an annual gathering of tech luminaries organized by writer Esther Dyson.

Stern made a pitch for the industry to form a joint venture with the union to invest 10 percent of the money saved through outsourcing to provide services for people who lost jobs.

"A bunch of people said, 'Why this guy?'" Dyson recalled. "By the end of it, I wouldn't say they were convinced and ready to sign up, but several said, 'This guy's amazing.' He was very impressive. He plays well outside his home turf."

But praise is not universal.

Foes at other unions accuse him of raiding them and, most recently, of betraying labor solidarity to go it alone.

Within the SEIU there is an undercurrent of gripes, said Steve Early, a Boston-based official for the Communications Workers of America.

"The issue of high dues, forced mergers and the kind of high-handed way that SEIU national staff conduct themselves has triggered a backlash," Early said.

Bill Fletcher Jr., a former high-ranking SEIU official, said sometimes Stern is in such a rush that he lacks patience.

"Andy's view of change was you set a standard and enforce it," he said. "It assumes that workers are objects, and they are not."

All of the Chicago area locals "were restructured and people were fired," said Bob Bruno, a labor expert at the University of Illinois at Chicago.

Newly merged locals had to be big enough to hire political and communications directors and put at least 20 percent of their dues into organizing, said Tom Balanoff, the SEIU's Illinois Council President. Locals then would get a portion of dues rebated to spend on organizing.

Stern urged his union's leaders to think globally, as in a campaign to organize security officers. After two years of talks with Securitas, a Swedish firm and one of the industry's biggest players, with 200,000 workers in 20 countries, Stern and Balanoff were frustrated by the lack of progress.

"We want to create a crisis here, some action, some pressure," Balanoff recalls telling a union official in Sweden.

The result was a "fact-finding" mission to the U.S. by European Securitas workers which unleashed a spate of bad publicity about how poorly U.S. workers fared in comparison to their European counterparts.

Stern, meanwhile, contacted a Securitas board member he knew.

The double squeeze--union pressure from below and board pressure at the top--helped win a national recognition agreement with Securitas three years ago, said Balanoff.

Stern wanted the union to wield the clout that local bosses once held.

In Illinois, the union had been trying for years to organize home care workers who contract with the state, but the Republican-controlled state house balked.

"There's this congressman, Rod Blagojevich," Balanoff recalled telling Stern. "I don't know if he can be elected but maybe if we could help him in a big way," he would help the union.

"Andy just pushed me," Balanoff said. "You gotta take the risk. We gotta figure out how to use politics to allow workers to raise themselves."

The international kicked in about half of the nearly \$1 million SEIU contributed to Blagojevich's successful election campaign. And the payoff was big--recognition of 49,000 child-care workers and 20,000 home health-care workers.

At Advocate, hospital officials question the sincerity of SEIU's accusations.

"Since we weren't willing to deliver our workers, suddenly we've become racists, deliverers of bad care, and misers," said spokesman Tony Mitchell. "It's become a relentless attack."

But Balanoff makes no apologies for the heat.

"Advocate is the biggest chain in this city, certain responsibilities come with being the biggest," he said.