

Forced-Unionism Abuses Exposed

The facts Big Labor bosses would rather you didn't hear about.

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Compulsory unionism breeds corruption. In each issue of "Exposed," the National Right to Work Committee will highlight yet another example of union-boss abuse spawned and perpetuated by Big Labor's government-granted privilege to force workers to pay union dues, or be fired.

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Alleged Embezzlement by Jim Hoffa's Top Aide Should Come as No Surprise

With the AFL-CIO Executive Committee, which consists mostly of top officials of AFL-CIO affiliated unions, preparing for a March meeting at which plans to overhaul the giant union conglomerate will be discussed, international Teamster President Jim Hoffa's staff is mounting a remarkable PR campaign.

Teamster spokesmen are touting a discussion paper recently crafted by Hoffa and his lieutenants, entitled "Which Way for the AFL-CIO: The Teamster View," as evidence that the son of the notoriously corrupt and arrogant Teamster czar Jimmy Hoffa is a leading union "reformer" for the new millennium.

Even as the Hoffa team markets his ideas for "restructuring" the AFL-CIO, however, news accounts emanating from Detroit and Chicago are undermining their efforts. On January 13, the *Detroit News* reported that Carlow Scalf, Hoffa's top aide and a former high-ranking official with the Detroit Teamsters, had been suspended from the union for 60 days for allegedly embezzling nearly \$70,000.

Scalf got off with this virtual wrist slap by cutting a deal with the Teamster brass's federally-appointed Independent Review Board (IRB). Scalf agreed to reimburse the union treasury for the \$69,500 that, according to the IRB, he had illegally received in housing allowances between March 2001 and January 2004 by falsely claiming to live in Michigan, when in fact his principal place of residence was near Teamster headquarters in Washington, D.C. He was not required to admit guilt. And when the 60 days are over the IRB will allow Jim Hoffa personally to decide whether Scalf can return to his \$187,000-a-year job as Hoffa's right-hand man.

Hoffa and other Teamster officials evidently see no need to explain to the public or the rank-and-file Teamsters whose compulsory union dues pay for Scalf's salary, benefits and "allowances" why Scalf shouldn't be fired and prosecuted for embezzlement rather than coddled. But the peculiarly light punishment for Scalf shouldn't come as a surprise. Ever since he came to Washington when Hoffa took over the Teamsters in 1999, Scalf has been dogged by credible accusations of corruption, but never suffered any significant consequences.

For example, last spring, after Ed Stier, the head of the internal Teamsters' "clean-up" program known as RISE ("Respect, Integrity, Strength and Ethics"), and his entire team of investigators and lawyers resigned in protest, they publicly accused Carlow Scalf of interfering with their ability to investigate and expose union corruption. In a letter to Teamster General Counsel Pat Szymanski that was quoted in the *Detroit News* May 13, 2004, Stier was blunt. "[Intelligence] from several sources inside and outside the union [indicates] that Scalf's efforts to shut down our investigative activities were the result of pressure from Chicago area Teamsters who in turn were acting at the instigation of racketeers."

Reporter Richard Ryan concluded that the letter identified Scalf as "the person most responsible for shutting down [Stier's] probe of mob influence in Chicago locals." Following up on Stier's leads, the FBI is now investigating whether "hundreds of thousands of dollars were siphoned" from a Chicago Teamster dental plan between 1993 and 2000, according to a January 2 article in the *Chicago Tribune*.

Agents for the FBI's organized crime unit have already interviewed at least two dentists regarding charges that up to 30% of the money funeral homes and valet firms paid for Teamster-"represented" employees' dental benefits were diverted into the pockets of mobsters and other criminals.

Previously, Scalf was implicated, but not investigated, in connection with the alleged embezzlement of \$30,000 or more from union treasuries to bankroll Detroit Teamster boss Larry Brennan's 1996 re-election campaign. Despite the fact that Scalf was reportedly Brennan's bagman, the IRB never filed charges against him in this case. (In 2001, the IRB found Brennan and five other Detroit Teamster bosses not guilty. "[W]hile it is a close question," the IRB stated, "[we] have decided that [the evidence] falls short of the convincing quality we would want before finding that it should be held as implicating Brennan" and the other defendants.)

Judging by the record, Jim Hoffa doesn't care if others believe his special treatment for Carlow Scalf shows he's okay with union corruption when perpetrated by his Teamster cronies. Therefore, Scalf is likely to return to power once his 60-day suspension is over.

How could Hoffa dare to cast himself as a union "reformer" while allowing a Detroit Teamster boss who apparently embezzled nearly \$70,000 over the past four years, and gave the money back only when he got caught, to stay on as his unofficial second-in-command? Unfortunately, federal labor law fuels such arrogance. Because of the forced-unionism provisions in the National Labor Relations Act and Railway Labor Act, Teamster workers, except those protected by a state Right to Work law, cannot protest Hoffa's actions by cutting off their financial support. If they cease paying forced dues or so-called "agency fees," they will be fired from their jobs.

To end this flagrant injustice, the National Right to Work Committee is fighting to pass the National Right to Work Act of 2005, which was just introduced in the U.S. House of Representatives by South Carolina Congressman Joe Wilson. The Right to Work Bill would empower rank-and-file Teamsters and other abused workers to punish official wrongdoing effectively, as soon as they see it, by resigning and withholding their dues money.

Instead of counting on Jim Hoffa or other union officials to "reform" Organized Labor, Congress ought to bring the Right to Work Bill up for a vote as soon as possible.

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