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Let's Pass Real Campaign Finance Reform

Most of what we hear on the media about "campaign finance reform" constitutes political posturing and "spin" about proposals that would do nothing to correct campaign abuses, but would do a great deal to interfere with the First Amendment right of citizens to spend our own money for the candidates of our choice. The so-called "campaign finance reform" bill bouncing around in Congress would regulate and limit the rights of private organizations to talk about issues in the context of elections (as, for example, publishing a voter's guide), while at the same time allow Big Media (the television networks, Ted Turner, the *Washington Post*, etc.) the unrestricted right to express their views and influence public debate through biased news coverage.

Real campaign finance reform should not be directed toward stopping citizens and associations of citizens from spending their own money for candidates and causes they support. **Real** campaign finance reform should be directed toward the abuse of taking money out of the paychecks of citizens and spending it for candidates and causes they oppose.

This is exactly what the unions have been doing for years. Unions collect billions (not just millions) of dollars every year in mandatory dues and fees from their members. Employers facilitate this whopping windfall by doing all the clerical work necessary to deduct these "contributions" from individual employees before they ever get their hands on their own earnings.

Unions currently use a portion of the dues plus other funds withheld from the paychecks of their members for political campaigns decided by the union officials, not by the employees from whom the money is involuntarily (some say surreptitiously) taken.

Millions of dollars earned by union members are thus spent on partisan politics. These funds are spent about 95% on Democratic Party candidates and initiatives, even though surveys show that at least a third of union members vote Republican. Union

officials are completely free to pursue their own politics and thumb their noses at their members.

In the 1996 election, the national unions spent \$35 million of their members' money on TV advertising to smear Republican candidates. However, that was only the tip of the iceberg. Rutgers University Economics Professor Leo Troy told the House Oversight Committee that he estimates that the total of unregulated in-kind political expenditures by the unions in 1996 was actually \$300 to \$500 million. This vast sum came out of the pot of \$8 billion that the unions collect in dues each year (an average of \$500 from each of 16 million members).

Most Americans haven't protested this outrage because they don't know about it. Most union members don't protest because it isn't career-smart to bite the hands of their union bosses.

Eagle Forum has supported efforts to remedy this abuse at least since August 1995 when the *Phyllis Schlafly Report* described it as "the Republicans' most urgent task." We pointed out that the two big teacher unions, the National Education Association (NEA) and the American Federation of Teachers (AFT), have an estimated annual revenue of \$1 billion and "walk in lockstep in support of high taxes, Big Government, total control of education policies, and Democratic candidates." We urged that states "make it illegal for the NEA and the AFT to enjoy the enormously valuable privilege of having school districts (*i.e.*, the government) make payroll deductions for union dues and Political Action Committee (PAC) funds from teachers' salaries and transmit such funds to the unions."

Despite significant grassroots efforts, the power of the teacher unions is so great, especially at the 50 state capitols, that only three states have been able to pass legislation to correct this campaign finance abuse. Washington State passed a voters initiative in 1992 making it illegal for employers to deduct money from

workers' pay and forward it to the unions' political funds without the written consent of the individual union member. This initiative was bitterly opposed by the unions, but it was popular with the voters, passing by a 72% majority. The Michigan State Legislature passed a similar law in 1994, and it was upheld by the Sixth Circuit Court of Appeals in 1997. In 1998, Wyoming passed a similar law.

These laws are powerful. Within months of the Washington law taking effect, the number of teachers willing to finance their union's political agenda fell to only 8,000 from a previous 45,000. The number of public employee union members who made PAC contributions after passage of the initiative fell from over 40,000 to 82. (That's not a misprint.)

Paycheck Protection Plan

Trend-setting California is about to accelerate this movement by passing real campaign finance reform. On June 2, Californians will vote on the **Campaign Reform Initiative (CRI)**, also called the **Paycheck Protection Plan**, which, if passed, will prohibit monies from being automatically taken out of workers' paychecks for political purposes without their written consent.

CRI will prohibit employers from making automatic deductions (called a checkoff) from any employee's pay for political contributions or expenditures without annual, written authorization. As one of the Orange County authors described it, CRI is based on the simple premise that, "If you want to take someone else's money to fund your political campaign, you're going to have to get their permission first."

In addition to the checkoff for transfers to political funds, CRI prohibits unions from using any portion of a member's dues for political purposes without each member's annual, written authorization. The designated form for the "Authorization for Political Use of Fees" must contain the disclaimer that the employee is "not obligated to sign" and that it is "completely voluntary" and cannot "affect your employment."

California unions spent \$12 to \$15 million on political candidates and causes in 1996. Unions nationwide are spending \$20 to \$30 million to defeat the CRI. In one of the more egregious recent examples, the Teamsters gave \$195,000 to the 1996 campaign to legalize medical marijuana in California. In 1993, the California Teachers Association spent \$12 million of members' dues to defeat Proposition 174, the school-choice initiative.

Public opinion surveys show overwhelming support for giving union members the choice of whether or not to fund their union's political activities. The *Washington Post/ABC News* poll reported 82% support, *CNN/USA Today/Gallup* poll reported 72% support, and the *California Field* poll reported 66% of

Democrats and 70% of union members in favor.

The chairman of the CRI campaign is Indiana businessman J. Patrick Rooney, who is widely known as the father of Medical Savings Accounts and one of the leaders of the school choice movement. He may also become known as the Father of Paycheck Protection.

In 1988 in *Communications Workers v. Beck*, the Supreme Court held that union members have the right to object to union officials collecting and spending union dues for political purposes or for reasons unrelated to collective bargaining. It wasn't until 1992 that President George Bush issued an executive order requiring government contractors to post notices informing their employees of this right. One of Bill Clinton's first acts as President was to repeal Bush's order.

The *Beck* right is effectively unenforceable. Surveys show that 78% of union members do not know that they have the right to get a refund for the portion of their mandatory dues spent on political activity.

Thomas Jefferson warned us, "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical." Right on, Mr. Jefferson!



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IMF Bailouts Cause More Bailouts

In a letter to his colleagues, Majority Leader Dick Arme y has identified what he calls the Clinton Doctrine as the rationale for the Administration's demand that the American taxpayers pony up \$18 billion for the International Monetary Fund (IMF). Clinton has already conned the Senate into approving this handout, but Arme y and House members are having second thoughts.

The presumed purpose of the money is to address the Asian financial crisis and Clinton is demanding the money immediately, in one lump sum, with no real conditions attached. IMF director Michel Camdessus, a French Socialist, won't tell us what he will do with the money or what agreements he may have made with recipients of the money.

Arme y calls Clinton's demand one of "breathtaking audacity." It's audacious not only in the amount, but also in the fact that we've had no informed public debate, and the IMF is rejecting Congressional oversight.

Treasury Secretary Robert Rubin has been peddling the notion that this enormous appropriation is "cost-free." One of his talking points boasts, "Our contribution is like putting money in the bank. It doesn't cost us a dime." As Arme y correctly says, "That's nonsense. If we pass this bill, that money is gone forever." It would erase the so-called "surplus" and put us again in budget deficit.

Arme y points out that this vast appropriation isn't just about dealing with the Asian crisis, because the IMF has already poured billions into Asia and it still has billions left in assets that we've previously given the IMF. The plot thickens.

The \$18 billion is part of a plan to vastly expand the mission of the IMF. Camdessus has visions of grandeur; he wants to build up the fund to \$160 billion. You can be sure he expects to get the biggest portion from Uncle Sap.

The original mission of the IMF was to lend money to countries that were temporarily short of cash because of balance of payment problems or short-term liquidity needs. In other words, IMF's purpose was to provide emergency cash to basically sound institutions.

The 1995 Mexican Bailout (which turned out to be twice as large as originally anticipated) fundamentally changed this IMF mission by advancing cash to institutions that were basically unsound. The IMF lent money to cover the losses of bankrupt Mexican institutions so they could repay the big New York banks that didn't want to be left holding the bag on their foolish loans.

Arme y says that this huge policy change explains

why bailouts have been escalating ever since. The IMF bailed out South Korea not once but twice, announcing it on Christmas Eve in the hope that Americans wouldn't notice.

The financial crises we are talking about are not caused by recession, wars, oil shocks, or weather calamities. An economist himself, Arme y has figured out that "the cause of the bailouts has been the bailouts themselves." In plain language, the bailouts have led the big investors in the global economy to believe that their foolish investments will be made good by the American taxpayers. Heads the big investors and banks win, and tails they win, too, while the American taxpayers lose.

No wonder we hear such constant promotional sweet-talk welcoming us to the glorious "global economy." Come into my web, said the spider to the fly!

That, in essence, is the Clinton Doctrine. While he didn't invent this ripoff of the American taxpayers, he has taken it to unprecedented heights.

Our sorry experience with the Welfare State has taught us that we get more of whatever we subsidize. If we subsidize poverty, we get more poverty; if we subsidize illegitimacy, we get more illegitimate children; if we subsidize the homeless, we get more homeless people. When we subsidized excessively extravagant federal deposit insurance, we got the savings and loan debacle. These unrealistic subsidies encouraged the reckless to gamble with other people's money, and it ended up costing U.S. taxpayers \$150 billion.

Likewise, when we subsidize bailouts in foreign countries, we get more bailouts. The Clinton Doctrine is to make us pay, and pay, and pay, and the amounts are staggering. The IMF has already poured enough funds into the corrupt, bankrupt Asian regimes to make them believe they can expect the money machine to keep churning. The Asian bailouts are not only costly to American taxpayers, they are poison to the recipients of our dole because, like the liberal welfare programs, they encourage irresponsibility and dependency.

Arme y quotes some savvy financiers, such as former Treasury Secretary Bill Simon, as urging Congress to just say No to the IMF. Arme y asks: "How can we acquiesce in a plan to vastly expand an international agency that covers other people's bad debts and undermines free market processes the world over?"

Good question. Obviously, we can't. The House should refuse to appropriate any more taxpayers' money to the IMF.

Feminist Hypocrisy and Double Standards

Those who say Republican leaders should focus on the "real issues" instead of on Bill Clinton's scandals are correct. Republicans ought to be talking about Clinton's persistent efforts to take over control of classroom curricula and to move us incrementally into nationalized health care, as well as his sell-out of American independence and self-government to a global "web" through treaties, United Nations conferences, executive agreements, and the assignment of U.S. troops to faraway phony "peacekeeping" expeditions.

However, it is irresistible to ponder the fix that Paula Jones has put the feminists into, and the feminists' contortions in their vain effort to defend both their ideology and the President they love. It remains to be seen whether Paula will be able to convict Bill Clinton in court, but she has already convicted the feminists of hypocrisy and double standards, and even the media are laughing at them.

The funny thing is, the feminists did it to themselves. As the old saying goes, they made their bed and now they have to lie in it. They invented the current use of "sexual harassment." There is nothing in Title VII, the employment law that prohibits sex discrimination, that defines or prohibits sexual harassment. Sexual harassment is wholly judge-made law, and the feminists have been responsible for its widespread use.

Without the feminists' campaign against sexual harassment that began with Anita Hill, and their claim that it is a pervasive problem, there would be no Paula Jones lawsuit. And without Paula Jones's lawsuit, we would never have known about Monica, Kathleen, Dolly, Clinton's perjury, Clinton's obstruction of justice, and the intimidation of Clinton's bimbos who didn't keep their mouths shut.

The feminists are claiming that Paula Jones and her backers just want to "undo the 1992 election" — they just can't stand it that Clinton won. Oh, really? That's exactly what the Anita Hill hearing was all about, namely, trying to undo George Bush's victory in the 1988 election by denying him his right to name a conservative Justice to the Supreme Court.

Now the feminists are saying Paula Jones shouldn't be believed because she "waited too long." But how long is too long? How can Paula's two-year wait be "too long" when Anita Hill waited ten years? Paula's charges are not, like Anita Hill's charges, a last-minute ambush to prevent her target from achieving high office.

The feminists claim that Paula should not be believed because she failed to bring her charges during the 1992 presidential campaign, when it really could have damaged Clinton. Even some of Clinton's most faithful backers admit that, if she had, Clinton might not have been elected. But this argument cuts in favor of Paula, not against her. It more likely indicates that she

doesn't have any political motive at all.

Judge Susan Webber Wright, who dismissed Paula's case without giving her a day in court, said that Clinton's actions were not sexual harassment because there was only one incident and that wasn't an "outrage." Judge Wright seems to be trying to invent a new rule that, since a dog gets one free bite before he is punished, a boss gets one free grope. If what Clinton did to Paula Jones isn't an "outrage," then it's hard to say what would be an outrage in the workplace.

The classic model of sexual harassment, according to feminist ideologues, is the Big Boss asking sexual favors of a female subordinate. In feminist dogma, this "power relationship" automatically creates such a hostile work environment that the Big Boss need not threaten the woman in order to be guilty of the sin of sexual harassment. That's exactly the model of Bill Clinton and Paula Jones, a minimum-wage clerk with limited education, just two months on the job, being summoned by His Honor the Governor, and even escorted to His Presence by the state police. Anita Hill, on the other hand, was a lawyer who knew her rights and who could not have been fired from her civil service job.

The feminists are now alleging that Paula Jones should be disbelieved because her case is assisted by some of Bill Clinton's enemies. Well, well! Anita Hill was surrounded, promoted, and coached by feminists and liberals who had identifiably political motives to block the confirmation of Clarence Thomas as Supreme Court Justice. Anybody who attended the Thomas confirmation hearings would have seen the whole assortment of feminists and liberals clustered around her, including the National Organization for Women, the National Abortion Rights League, and the staffs of Senators Ted Kennedy and Howard Metzenbaum.

When it comes to sexual allegations that cannot be positively proved one way or the other because no eye-witnesses exist, most people decide what is credible based on a pattern of behavior. In Clarence Thomas's case, despite all the investigative efforts of the liberal media and the liberal Senate staff, no Second Woman was unearthed to come forward with similar charges.

On the other hand, Paula's charges have credibility because of Clinton's pattern of behavior. So, where are the feminists who are usually so eager to march to the tune of "he just doesn't get it"?

Paula Jones has done more to damage and discredit Clinton than all the Republicans. As Pat Buchanan wrote: "Paula Jones may not have gotten her day in court, but she got her pound of flesh." Clinton will go into the history books as an embarrassment to our nation.

Paula Jones has made it easy for the Republicans to treat Clinton and his propositions with the disdain they deserve. Why don't they do it?