

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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'Fattest Fat Cats' of Organized Labor Face Trial on Racketeering Charges

Back in the early fifties, an investigation conducted by the New York Crime Commission found that almost one-third of all International Longshoremen's Association (ILA) union officers in New York had criminal records. But ILA General President Joseph Ryan didn't see a problem:

"Where are these poor devils to go?" he retorted. "Because a man's done wrong once, don't show he's a criminal. Why, a man can't get paroled unless somebody'll give him a job."

According to a recent extortion and wire fraud indictment, today's top ILA union bosses are similarly eager to provide "opportunities" to ex-cons.

Three ILA bigwigs face federal racketeering charges: Albert Cernadas, an international union vice president who doubles as president of Local 1235 in Newark, N.J., Harold Daggett, the ILA's assistant general organizer and president of its New York/New Jersey maintenance local, and Arthur Coffey, an ILA vice president and the union's top official in Miami, Fla.

Cernadas, Daggett, and Coffey allegedly conspired with Lawrence Ricci, a putative "dairy salesman" with a waterfront-related racketeering conviction on his record, in an eight-year-long fraud scheme. The FBI has identified Ricci as a major figure in the Genovese Crime Family.

Ricci and the three ILA bosses are charged with diverting hundreds of thousands of dollars from workers' health and welfare funds into Genovese treasuries between 1996 and 2004.

Daggett and Coffey are also charged with extorting millions of dollars from workers over whom they wielded monopoly-bargaining privileges and from waterfront businesses in New York, New Jersey, and Florida.

Out of gratitude for all that Daggett and Coffey had done for them, mobsters allegedly formed new union locals in North Bergen, N.J., and Miami for the ILA bosses' personal benefit. By collecting salaries from multiple union locals as well as the international union, salaries derived primarily from

dues and “fees” that dock workers are forced to pay as a job condition, Cernadas, Daggett, and Coffey rake in a total of roughly \$1.3 million a year, according to union disclosure forms.

In addition to Ricci, other reputed mobsters who have made highly profitable “business transactions” with the ILA hierarchy include Louis Saccenti (identified in 1997 as the “driver and/or bodyguard” of Mafia canary Salvatore “Sammy Bull” Gravano) and Peter Gotti, brother of the late crime czar John Gotti.

Saccenti collects more than \$230,000 a year on two ILA payrolls. In 2002, Frank “Red” Scollo, longtime boss of ILA Local 1814 in Brooklyn, N.Y., pleaded guilty to exacting payoffs and shakedowns from waterfront interests on Peter Gotti’s behalf.

The racketeering trial of Ricci, Cernadas, Daggett, and Coffey, who have all pleaded not guilty, is scheduled to begin May 31. And until the three ILA bosses, whom the New York *Daily News* has called “the fattest of the fat cats,” are either convicted or change their pleas to guilty, they will continue to collect their full, forced dues-funded salaries while remaining on leave.

How can it be that, more than half a century after pervasive Mob infiltration of the ILA was exposed by journalists, the New York Crime Commission, and stage and screen director Elia Kazan in his Academy Award-winning movie *On the Waterfront*, little if anything has changed?

Although ILA scoundrels from Joseph Ryan to “Red” Scollo have plied their business far away from Capitol Hill, experts on union corruption recognize that Congress is largely to blame. In a 2004 monograph on union corruption – available at www.nilrr.org – veteran journalist and urban-policy specialist Carl Horowitz points out that union crooks, although similar in many regards to other crooks, are unique in that “for decades [they] have had an unwitting assist from government.”

Federal labor law authorizes so-called “exclusive” representation, empowering union bosses to speak for all workers in a “bargaining unit,” regardless of the workers’ personal desires. It also authorizes and promotes compulsory-unionism schemes under which workers are forced to pay union dues or “fees,” or be fired.

Government-imposed union monopoly bargaining and forced union dues make it very difficult for honest employees to combat corruption and also artificially enlarge union treasuries. They thus, writes Horowitz, “increase the temptation for union officials and staffers to steal”

The mischievous impact of federal labor laws passed by Congress is compounded on waterfronts, where small shipping businesses can suffer huge losses as a result of even relatively short delays and are thus especially vulnerable to blackmail by unscrupulous union officials.

To launch a genuine, albeit belated, clean-up of ILA boss-controlled ports, Congress should pass the National Right to Work Act (S. 370/H.R. 500), which would repeal all federally-imposed compulsory union dues and “fees.” This bill would empower honest workers in the maritime and other industries to punish corruption as soon as they see it by quitting the union and cutting off their financial support.

Over time, it would make officeholding in chronically corrupt unions like the ILA far less attractive to mobsters and their cronies, and give the union officials who replace them a strong incentive not to steal.