

THE DARK MONEY BEHIND THE WAR ON WORKING FAMILIES

Who's bankrolling the assault on America's workers?

FOR DECADES, the ultra-wealthy and large corporate barons have engaged in a deliberate campaign to preserve and expand their economic and political power by attacking the rights of working people. Individually and collectively, this small band of billionaires provides a seemingly endless funding stream to right-wing groups and foundations to promote policies—at the state and national levels—that undermine opportunities for America's working families. These enemies of economic opportunity for all oppose collective bargaining and efforts to increase the minimum wage and provide paid sick leave for low-wage workers, while working to eliminate the social safety net. They rig our economic and political system to protect their wealth, while eroding voter rights and silencing our voices at work.

The *Janus v. AFSCME* Supreme Court case is the latest offensive in the war on working families. Corporate titans, billionaires and their paid politicians are using state legislatures and the courts to attack working people's rights to advance economically by joining a union, all under the banner of right-wing think tanks and anti-worker groups—like the State Policy Network, the American Legislative Exchange Council, Americans for Prosperity, the Empire Center for Public Policy, the Freedom Foundation and others. They are gathering forces to deal what they hope will be a fatal blow to labor unions.

The Dark Money Behind *Janus*

Long before the *Janus* case, right-wing groups and ultra-conservative think tanks have been building momentum and increasing their attacks on working families. In recent years, these attacks have been fueled by a multimillion-dollar uptick in contributions to political advocacy groups whose primary goal is to “defund and defang” public-sector unions. (<https://www.theguardian.com/us-news/2017/aug/30/rightwing-alliance-unions-defund-defang>)

The billionaire funders behind the *Janus v. AFSCME* attack on the rights of working people and their unions had a total spending power of **\$200 million** in 2015.

Since 2011, these groups have experienced a 41 percent boost in revenues and a \$39 million funding spike. According to an analysis of 34 right-wing think tanks, legal firms and policy groups involved in the *Janus* attack on unions, the total spending power in 2015 was \$200 million.

Among the most notable contributors to right-wing groups and anti-union think tanks are the Michigan-based **Richard and Helen DeVos Foundation** (family of U.S. Education Secretary Betsy DeVos), the Milwaukee-based **Lynde and Harry Bradley Foundation**, and **Charles G. and David H. Koch** (the Koch brothers, Koch Industries).

These three powerful billionaire families, and others like them, funnel massive contributions to Donors Trust, an anonymous charitable fund. Most of the donors are unknown. Donors Trust is a donor-advised fund, which means contributors to the fund can recommend

how money is allocated, but they don't have final say. What's more, as a tax-exempt charity, Donors Trust provides contributors with a larger tax write-off than they would receive from donating to a family foundation.

It is no surprise that Donors Trust is the big money behind political causes—in state legislatures and the courts—that benefit its wealthy donors at the expense of other Americans. It funds organizations like the National Rifle

Association, the National Right to Work Legal Defense Foundation and the State Policy Network. The State Policy Network has supported policy initiatives to reduce state health and welfare programs, expand for-profit charter schools and private voucher programs, and destroy public-sector unions.

The **Richard and Helen DeVos Foundation** was established by Richard DeVos Sr.—the founder of the multilevel marketing company Amway, a former finance chair of the Republican National Committee and the father-in-law of current U.S. Education Secretary Betsy DeVos. Betsy DeVos, her family and the DeVos Foundation have spent millions of dollars on anti-public school initiatives. She is a staunch advocate of religious schools, private school



A Union of Professionals

The Lynde and Harry Bradley Foundation has contributed **more than \$500 million** since 2000 to support conservative policies that hurt working families. It was a primary backer of the Wisconsin right to work law that **gutted public-sector unions** and **took away collective bargaining rights for thousands** of workers.

vouchers and for-profit charter schools. AFT President Randi Weingarten has described Betsy DeVos as the “most ideological, anti-public education” education secretary in the four decades since the position was elevated to cabinet level.

In 2016, the DeVos family spent more than \$1 million on anti-public school legislation targeting Detroit schools. This legislation sought to tie teacher pay to student test scores, use test scores to close schools and end collective bargaining for educators. The DeVos Foundation has given millions to promote policies to:

- End collective bargaining rights for educators;
- Oppose rights for LGBTQ individuals, like marriage equality;
- Weaken women’s reproductive rights; and
- Defund, destabilize and destroy public education.

Together, since 2010, the Richard and Helen DeVos Foundation and the DeVos Urban Leadership Initiative have given \$7.7 million to the Heritage Foundation, \$5.5 million to Donors Trust and \$1.15 million to the American Enterprise Institute. What’s more, Betsy DeVos’ brother, Erik Prince, is the founder of Blackwater—the private security contractor involved in the 2007 massacre that killed 17 Iraqi civilians.

The **Lynde and Harry Bradley Foundation**, established as the Allen-Bradley Foundation in 1942, has given more than \$500 million in support of conservative public policy issues since 2000. It is one of the largest contributors to anti-union policy advocacy. Last year, the Center for Media and Democracy obtained leaked internal documents



from the Bradley Foundation outlining its plans to fund anti-union groups in several states, including the Freedom Foundation and the Empire Center for Public Policy. (<https://www.prwatch.org/news/2017/05/13239/bradley-foundation-bankrolls-attacks-unions>).



The documents indicate that the Freedom Foundation already has received \$840,000 from the Bradley Foundation, and that the Bradley Foundation recommended new grants to the Freedom Foundation in 2015 and the Empire Center in 2016. The Freedom Foundation is a nonprofit organization operating in the Pacific Northwest that runs aggressive union opt-out campaigns through door-to-door canvassing and media outreach. The Empire Center attacks collective bargaining by bashing public-sector unions for causing “excessive spending and high taxes.”

Dismantling and defunding public-sector unions in order to affect the outcomes of state elections is a major objective of the Bradley Foundation. For instance, the foundation was a primary backer of Wisconsin’s 2011 right-to-work bill, which was one of the first policies signed into law by Republican Gov. Scott Walker. Known as Act 10, the law eliminating collective bargaining rights for public employees in Wisconsin has led to a steep decline in union membership around the state. As of 2016, union membership was down nearly 40 percent.

The **Koch brothers**, Koch fam-

ily foundations, Koch charities and related organizations have given more than \$100 million to some 34 political and policy advocacy groups, including \$30 million to Americans for Prosperity, \$5.8 million to the Heritage Foundation and \$11 million to the Cato Institute. Americans for Prosperity helped build



the tea party movement and was the political force behind significant opposition to climate change regulations, the Affordable Care Act and Medicaid expansion. It also advocates for limits on workers’ collective bargaining rights and for so-called right-to-work laws, and opposes raising the federal minimum wage. The Heritage Foundation is considered one of the most influential conservative political think tanks in the country. Rebekah Mercer, a key member on Donald Trump’s presidential transition team, is a board member and major donor to the Heritage Foundation. While it is intentionally difficult to track donations to Donors Trust, records show that Koch charities and related groups have contributed at least \$1 million to Donors Trust and \$2.7 million to the related Donors Capital Fund.

Overall, the Koch brothers have put millions of dollars behind initiatives that pose a unique threat to working families, including AFT members. It is clear that our unions are facing a well-funded, all-out assault on the rights and values of American workers and our families at the national and state levels.