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# FreedomWorks Putting Its War Chest to Work for ALEC's Anti-Union Agenda in the States

by [Brendan Fischer](#) <sup>[1]</sup> — January 14, 2013 - 7:57am

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The Tea Party-affiliated group FreedomWorks -- the right-wing organization that helps connect "Tea Party" groups with talking points, rallies, and more -- is gearing up to direct its sizeable war chest towards advancing anti-union initiatives in the states, supporting an agenda set by groups like David Koch's Americans for Prosperity and the Koch-funded American Legislative Exchange Council (ALEC). This strongly suggests that the battle for the future of private and public sector unions in America is beginning a new phase of combat.

This month, FreedomWorks [announced](#) <sup>[7]</sup> "an aggressive grassroots, state-based campaign" for 2013 to "push back against domineering unions," among other plans. The group has been in the midst of turmoil in recent months with former House Majority Leader Dick Armey abruptly resigning after the 2012 elections, in part because of concerns about the ethics of FreedomWorks President Matt Kibbe. In the aftermath of President Barack Obama's strong showing in battleground states where union members turned out in large numbers against Mitt Romney, Kibbe is apparently prioritizing anti-union advocacy.



Matt Kibbe

Unions have been under attack since the 2010 elections swept new Republican majorities into statehouses across the country. Starting in early 2011, states like Wisconsin and Ohio passed legislation to restrict collective bargaining rights for public sector employees (although Ohio citizens were able to reverse one of the most pernicious bills via referendum), and in late 2012, the Michigan legislature rushed a "right to work" bill into law during the lame duck session.

So-called right to work laws undermine collective bargaining by allowing some employees to free ride when the union uses the collective power of workers to negotiate wages, raises, and other benefits with managers. Under right to work laws, employees can get these benefits while opting-out of paying the costs, which groups like FreedomWorks have spun as "[workplace](#)

freedom." [8] Much of the anti-union legislation introduced since the 2010 elections can be traced to "model" bills from ALEC, after legislators who attended the December 2010 ALEC meeting embraced the right to work agenda that had stalled decades earlier.

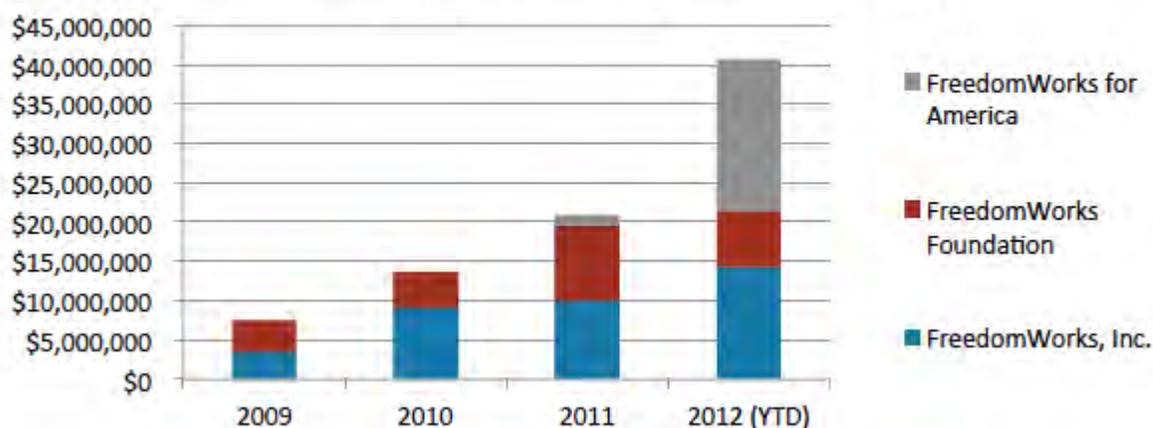
CMD identified how Michigan's right to work measure, for example, was almost identical to the ALEC model [9]. More recently, Progress Missouri identified [10] how ALEC legislators in that state have introduced another right to work proposal that closely resembles the ALEC "model" Right to Work Act.

ALEC legislators have also been buoyed by support for these measures from groups like David Koch's Americans for Prosperity. After a number of Republicans were defeated in federal races, FreedomWorks now appears to have made anti-union legislation in the states a priority for 2013.

## Leaked Documents Show Record Fundraising, Internal Coordination

As details about the power struggle within FreedomWorks emerged in December -- with a wealthy donor who secretly gave \$12 million to the Freedomworks Super PAC buying Armev's silence [11] about Kibbe's ethical issues until after the election via an \$8 million "consulting" contract - internal board documents [12] leaked to Mother Jones showed that \$33 million of the \$41 million raised by the group through mid-December came in the form of five-and six-figure checks, contradicting the notion that FreedomWorks is at its core a "grassroots" organization (even though it has been increasing its small-donor base).

**FreedomWorks Fundraising Growth 2009-2012**



According to the leaked documents, FreedomWorks' fundraising surged in 2012, largely thanks to the group's Super PAC, FreedomWorks for America, which raised \$23 million [13].

Federal law requires a group like FreedomWorks to have segregated accounting for its Super PAC, charitable, and nonprofit wings. But Kibbe reported to the board a single \$42 million in "consolidated" revenue for 2012, combining funds raised by the FreedomWorks for America Super PAC, the 501(c)(3) charity Freedomworks Foundation, and the 501(c)(4) Freedomworks, Inc. (The group has also shifted millions [14] between its 501(c)(4) and Super PAC in 2012, effectively hiding the identity of the true donor).

"The difference between us and other Super PACs is our commitment to building a machine that

outlives any election, won or lost," wrote Kibbe in a "President's Report" to the FreedomWorks Board of Directors.

## FreedomWorks to Use Funds to Attack Unions

FreedomWorks now intends to direct that war chest -- and that "machine" -- towards anti-union battles in the states.

Since the election, FreedomWorks has promoted a petition to "support Michigan Governor Rick Snyder [15]" in his anti-union push, published multiple [16] blogs [17] attacking unions [18], and released a study [19] purporting to show the benefits of "paycheck protection" legislation to defund unions in Pennsylvania.

In a January 6 message to the FreedomWorks email list [7], Kibbe announced a new "Save the States" campaign and linked to a website [20] where users could rank the issues FreedomWorks has identified as priorities -- like Right to Work [21], Paycheck Protection [22], "school choice" (which is presented as an anti-union initiative [23]), and reforming the supposedly "extravagant" pensions promised to unionized public sector employees [24].

Four out of the five issues in the FreedomWorks "Save the States" campaign are tied to weakening unions, either directly or indirectly.

As CMD has reported [25], attacks on unions are not only about expanding corporate profit margins at the expense of workers, but also about cutting-off a key funding stream for Democrats and progressive causes (even though the dues workers pay are separate from the funds provided for political activity). These efforts also limit the capacity of unions to get out the vote in support of candidates who protect worker's rights or against candidates who want to strip them away. By weakening a political opponent FreedomWorks can expand its own influence over elections.

FreedomWorks does not appear to be alone in its push. David Koch's Americans for Prosperity also appears to be publicly prioritizing anti-union [26] advocacy, for example calling for right to work [27] in Wisconsin. AFP reported spending \$39 million on the 2012 elections (and at least \$10 million [28] defending [29] Wisconsin Governor Scott Walker during his recall), but as a nonprofit its primary purpose cannot be electoral. Its lobbying and advocacy on anti-union initiatives could be one way to try and justify [30] its nonprofit "social welfare" status.

FreedomWorks and Americans for Prosperity both grew out of Citizens for a Strong Economy, a non-profit group founded by David Koch in the early 1980s. Koch Industries and philanthropies have been key funders of ALEC -- which has been instrumental in advancing anti-union laws around the country -- and AFP is an ALEC member along with Koch Industries and other groups funded by the Koch family fortune. The degree to which FreedomWorks is formally associated with ALEC is not known but its leaders have presented at ALEC meetings, and ALEC's Director of External Relations, Caitlyn Korb (who started her career as a Koch Summer Fellow [31]) has recently moved over to FreedomWorks.

This means there may be even bigger battles over labor rights in coming years than we have seen during the turmoil of 2011 and 2012 -- and the right-wing is backing the ALEC agenda big time, with big money.

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- [7] [http://www.prwatch.org/files/Jan\\_6\\_FW\\_email.png](http://www.prwatch.org/files/Jan_6_FW_email.png)
- [8] <http://www.freedomworks.org/issues/card-check>
- [9] <http://www.prwatch.org/news/2012/12/11903/michigan-passes-right-work-containing-verbatim-language-alec-model-bill>
- [10] <http://www.progressmissouri.org/house-leaderships-anti-worker-proposal-comes-straight-alec-corporate-bill-mill>
- [11] <http://www.prwatch.org/news/2013/01/11930/12m-donation-freedomworks-launched-through-shell-corporation-may-have-violated-f>
- [12] <http://s3.documentcloud.org/documents/550014/freedomworks-board-book-winter-2012.pdf>
- [13] <http://www.opensecrets.org/pacs/lookup2.php?strID=C00499020&cycle=2012>
- [14] <http://www.opensecrets.org/outsidespending/contrib.php?cmte=C00499020&cycle=2012>
- [15] <https://secure.freedomworks.org/site/Advocacy?cmd=display&page=UserAction&id=608>
- [16] <http://www.freedomworks.org/blog/lheal/workplace-freedom-and-the-talking-point-machine>
- [17] <http://www.freedomworks.org/blog/ameliahamilton/the-show-must-go-on-but-will-the-unions-agree>
- [18] <http://www.freedomworks.org/blog/joncgabriel/lansing-the-boil>
- [19] [http://www.freedomworks.org/files/PCP\\_Issue\\_Analysis\\_0.pdf](http://www.freedomworks.org/files/PCP_Issue_Analysis_0.pdf)
- [20] <http://statebattles.fwcampaigns.org/?source=FWNL1613>
- [21] [http://www.prwatch.org/files/RTW\\_rank\\_0.png](http://www.prwatch.org/files/RTW_rank_0.png)
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- [26] <http://americansforprosperity.org/legislativealerts/three-things-2012-taught-us-about-unions/>
- [27] <http://americansforprosperity.org/wisconsin/newsroom/hilgemann-wisconsin-should-embrace-prosperity/>
- [28] <http://www.prwatch.org/news/2012/06/11604/politifact-false-about-koch-support-walker>
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