

Stanley Hill, who presided over wholesale corruption in NYC unions, dead at 82

By Alan Whyte
7 February 2019

Stanley Hill, the executive director between 1987 and his resignation in disgrace in 1998 of New York City's District Council 37 (DC 37) of the American Federation of State, County and Municipal Employees (AFSCME), the largest municipal workers union in the country, died last month at the age of 82.

While the *New York Times* published an obituary hailing Hill as a "pioneering black labor leader," he will be remembered for his involvement in a massive corruption scandal that saw millions of dollars in dues money funneled into the pockets of wealthy bureaucrats, even as the real wages of the workers they purported to represent were slashed.

DC 37, an umbrella organization, is the largest body in its parent union, AFSCME, with 56 locals comprising 125,000 workers. Its members range from emergency medical technicians to hospital, clerical and social workers, school cafeteria employees and zookeepers, and the holders of many other jobs. During his tenure as chief of DC 37, Hill led no significant struggles. The union has not called a single strike in more than 40 years.

A colorless and mediocre official, Hill began his career as an employee of the city's Department of Social Services in 1959. He rose through the ranks of the union officialdom and was handed the reins of power in DC 37 in 1987 by his predecessor, Victor Gotbaum.

Hill participated in a 1965 strike by the city's welfare workers. Even in that period, the union bureaucrats regularly sold out militant struggles. But by the time Hill rose to the top of the DC 37 hierarchy, the union had engaged in decades of collaboration with Democratic and Republican politicians alike in imposing cutbacks and concessions.

A critical turning point took place in the mid-1970s,

when the city of New York came to the brink of bankruptcy. Gotbaum agreed to impose attacks on city workers, accepting the deferral of negotiated pay hikes and the investing of \$3 billion in union pension funds to bail out the city and the banks.

DC 37's action was part of the transformation of the unions from organizations that in a previous period had mediated the class struggle into full corporatist adjuncts of big business and the capitalist state. The corruption that grew to pervade DC 37 was, in the final analysis, symptomatic of the union's role in helping to organize the transfer of wealth from the working class to the financial aristocracy.

As executive director of DC 37, Hill drew a six-figure salary that was 10 times that of many of the workers he supposedly represented and which exceeded the salary of the mayor or any other city official.

Brought onto innumerable government boards and having become significant players in both the Democratic and Republican parties, Hill and his fellow top bureaucrats constituted a very privileged upper-middle class layer, whose positions and wealth were directly dependent upon the extraction of concessions and givebacks from the union's members.

Given the ever-widening social polarization in New York City, and the vast fortunes being made on Wall Street, the top echelons of the DC 37 bureaucracy felt themselves compelled to keep up by whatever means necessary.

One local union president devised a scheme for buying turkeys to distribute to union members at Thanksgiving at 20 cents a pound and selling them to other locals at 40 cents, splitting the profits with his fellow bureaucrats. Another billed the union nearly \$700,000 in overtime while placing his relatives on the

payroll. Millions were embezzled from DC 37 through these and other illicit operations.

This grotesque corruption went hand-in-hand with the suppression of any opposition within the union's membership to the concessions negotiated with the city. Top union bureaucrats organized the rigging of a 1996 contract vote, stuffing ballot boxes to turn the rejection of a sellout agreement into acceptance. This paved the way for a wage freeze during the first two years of the negotiated agreement, along with the introduction of a two-tier wage system.

The Manhattan District Attorney's office indicted a whole layer of union officials for stealing from the union and rigging the contract vote. More than 30 local leaders either pleaded guilty or were convicted on these charges. Hill, who presided over the entire operation, claimed he was unaware of the corruption and was not charged.

When the extent of the corruption within DC 37 under Hill became known through an audit conducted by AFSCME followed by criminal indictments, AFSCME officials leaned on the veteran bureaucrat to retire as part of the attempt to sweep the entire ugly affair under the rug.

During his tenure at DC 37, Hill endorsed Democrats and Republicans alike in the interests of the union tops. He was the New York co-chair for Jesse Jackson's bid for the presidency in 1988, when the Chicago-based preacher tried to use his history in the civil rights movement to "keep hope alive" in the Democratic Party.

In the mid-1990s, however, Hill abruptly and seamlessly switched allegiance, supporting the reactionary Republican ex-prosecutor Rudolph Giuliani for mayor. It was through his alliance with Giuliani that a program was instituted forcing welfare recipients to do the work of city employees or lose their meager welfare checks. The leadership of Transport Workers Union Local 100, representing 36,000 bus and subway workers, was caught up in a corruption scandal of its own and also agreed to this slave-labor scheme.

As the *World Socialist Web Site* wrote when the DC 37 corruption scandal was exposed and Hill's career as a union bureaucrat came to an abrupt end:

In their internal life, these unions, like their counterparts throughout the AFL-CIO, are among the least democratic and most corrupt institutions that exist

in America today. They combine the kind of criminal activities that are associated with the Mafia with the political disenfranchisement of their members by means of vote-rigging, intimidation and outright violence.

The New York union scandal is exposing not merely the corruption of a few individuals, but rather the internal rot of an institution that has been transformed into an instrument of the government and big business. The sharpening social polarization in New York City and throughout American society has made it increasingly difficult to mask the diametrically opposed interests of the union bureaucracy and the working class. The exposure of New York's municipal unions makes clear that a struggle against worsening social conditions must take the form of a collision between the workers and so-called labor organizations that long ago ceased to represent their interests.

To contact the WSW and the
Socialist Equality Party visit:

<http://www.wsws.org>