By DIANE S. WILLIAMS

VICTOR GOTBAUM, a larger-than-life labor icon whose 22-year stewardship of District Council 37 grew the rank-and-file membership into New York City’s largest municipal union and transformed DC 37 into a formidable political powerhouse, died April 5 of a heart attack. He was 93.

“Victor Gotbaum will perhaps be best remembered for the role he and the municipal workforce played to help New York City avert bankruptcy in 1975. But even before the city’s fiscal crisis, Victor Gotbaum’s place in our city’s history was secure,” said DC 37 Executive Director Henry Garrido. “His leadership of District Council 37 improved the lives of tens of thousands of city workers and their families, and he keenly understood the union’s important role defending public services for all New Yorkers. We offer our deepest condolences to his widow Betsy, his children and grandchildren.” Over 500 attended a May 4 memorial service for Gotbaum at the Museum of Jewish Heritage.

As chief officer of DC 37 from 1965-87, Victor Gotbaum was the voice of the working people of New York City. September 5, 1921 - April 5, 2015

Gifted visionary

Gotbaum led DC 37’s fight to establish itself during New York’s most dissonant times. Inflation, crime and unemployment skyrocketed and pushed the city into dire straits.

Tapped as a chief organizer for DC 37’s parent union, the American Federation of State County and Municipal Employees (AFSCME) around 1957, Gotbaum enlisted a young Lillian Roberts to successfully organize state hospital workers in Chicago. The two were later sent to New York City to help build the 30,000 members of DC 37, where he served as the union’s chief executive from 1965 to 1987.

Gotbaum steered the growth of DC 37’s membership to its peak of 125,000 through aggressive organizing of city workers. He oversaw Roberts’ do-or-die organizing campaign of city hospital workers that enrolled 11,000 new members in Locals 420, 768 and 1549 and greenlighted the strike called by Dept. of Welfare Caseworkers that brought Social Service Employees Union and 371 into DC 37’s fold. Council 37 expanded to 60 locals representing 1,000 job titles in New York, from Accountants to Zoologists, clerical staff to Chemists, Sewage Treatment Workers, School Lunchroom Aides, Parks workers and others.

It was turbulent times and Gotbaum’s unapologetic and brash persona, his salty language that said he meant business, was somehow appropriate for the times. He looked beyond gender and race to find leaders even as other trade unions...
remained reactionary. He won pension benefits, health insurance and workers’ rights and job protections union members enjoy today.

His skills as a dealmaker and negotiator are most evident in his central role to resolve the city’s 1970s fiscal crisis. Gotbaum worked with union advisor Jack Bigel, bankers Walter Wriston, then CEO of Citibank, and Municipal Assistance Corp. Chairman Felix Rohatyn, Gov. Hugh Carey and labor’s big three—DC 37, the United Federation of Teachers and Teamsters Local 237—to avert bankruptcy by investing a combined $3 billion of union pension funds to purchase MAC bonds.

Desperate New York City Mayor Abe Beame had reneged on a 6 percent wage hike and laid off almost 40,000 city employees. Unions answered with massive protests that put upwards of 50,000 in the streets. City workers walked off their jobs; the union’s blue collar members opened drawbridges and left idle trucks and dumpsters on major arteries. It was a commuters’ nightmare for tens of thousands of suburbanites and left idle trucks and dumpsters on major arteries. It was a commuters’ nightmare for tens of thousands of suburbanites who had fled decaying New York City.

By no longer extending credit to New York City and not buying MAC bonds, Wall Street had set up the city to fail. Rockefeller family-controlled First National City Bank and Chase Manhattan Bank would only cash city workers’ paychecks at their main branches. Gotbaum invited crowds of city workers to pack Chase Manhattan’s headquarters demanding cashed checks.

With these militant actions, Gotbaum and Roberts schooled politicians and bankers on the might of DC 37. It put labor, and specifically DC 37, front and center as powerbroker and partner with government and big business in shaping the future of New York City.

President Gerald Ford rejected a bailout plan that sent New Yorkers the infamous “Drop Dead” message emblazoned on the New York Daily News’ front page.

Gotbaum and others went to Washington and returned with a multi-billion dollar emergency aid package the city used to rehire 10,000 workers under the Comprehensive Employment and Training Act. The city repaid the loan in three years.

Looking back on the financial crisis and the conservatism of a judicial bench that could allow the city to default and void union contracts and its pension obligations, Gotbaum told PEP in 2009, “My attitude was that we would all go down together if we didn’t work this out.”

Unions kept city solvent

Eventually Gotbaum worked with the mayor and Carey, who provided $800 million in state aid, to prevent the city’s default on a $1 billion debt (valued at over $4.4 billion today). Their plan rescued New York City from the brink of bankruptcy in 1975.

The union put workers’ pensions and wages on the line with a promissory note from the city, Lou Albano, a former president of Local 375, said. He said, “Victor had the foresight to create a pay equity fund and salary step plans that helped workers long after the crisis.”

Lifeguard Supervisors Local 508 President Peter Stein, who was a young Lifeguard at Coney Island Beach, recalled, “The city treated us like garbage, working conditions were miserable. Victor came to the boardwalk on a 100 degree July 1st, to help us. He had the city’s ear. Lifeguards went from $12 a day to $20 a day in one hour with Victor fighting for us. Once we organized, we got better wages and respect.”

“Collective action and coordination proved to be extremely effective and important to what we were doing to organize members,” Roberts said. “Victor realized that women bad to be a part of the leadership in the labor movement and he worked across ethnic and racial barriers to form this mighty, mighty union. Today the labor movement and DC 37 have more women involved and a good number in leadership.”

DC 37 provides wages and benefits, but also a wide range of member services that Gotbaum and Roberts pushed for. He appointed Roberts associate director and she spearheaded programs such as the accredited bachelor’s degree at the College of New Rochelle DC 37 campus; Education Fund courses to advance workers’ skills, exam prep, and a program for Aides to become licensed practical nurses; the Municipal Employees Legal Services for noncriminal legal matters, and the Personal Services Unit for mental health counseling. The lives of all city workers are improved and enriched by Victor Gotbaum’s many gifts and unrelenting work.