

US auto workers shut down General Motors

The editorial board
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Seventy three thousand General Motors workers struck the largest US auto company Monday, shutting down all 82 facilities in a struggle to defend their most basic conditions—health care, jobs and wages.

As workers poured out of the plants after the 11 a.m. strike deadline announced late Sunday night by the United Auto Workers union leadership, the mood of militant determination and anger over years of attacks by GM management was evident. It was clear that the workers—notwithstanding their mistrust of the union leadership—took pride and satisfaction in demonstrating their solidarity and the power of the industrial working class.

The GM strike—the first national auto contract strike in 31 years and the first at General Motors since the 67-day strike in 1970—is indicative of a growing mood of resistance not only among auto workers, but among working people in the US and around the world.

The struggles of US auto workers have historically set a precedent for all workers in the US. In the 1950s and 1960s, auto workers won the first fully paid medical benefits for industrial workers and retirees in the US. Over the last three decades, however, Detroit's Big Three automakers have spearheaded the drive to drastically lower the living standards of workers and boost the profits and income America's wealthiest one percent.

The strike puts to rest all talk about the end of the class struggle in the US. Its effectiveness—shutting production down in all domestic GM plants and halting supplies to GM plants in Canada and Mexico—demonstrates the basic truth that workers produce society's wealth, not corporate CEOs and hedge fund investors.

It is necessary, however, to issue a blunt warning. No confidence can be placed in the bureaucracy that runs the UAW to conduct the type of struggle required to beat back GM's demands for historic concessions. If the conduct of the strike is left in the hands of the union officials, it will end in yet another betrayal.

This must not be allowed to happen. At stake are the hard-won benefits of hundreds of thousands of retired workers and the jobs and living standards of 180,000 active UAW workers, as well as the next generation of workers at the Big Three auto companies. The lessons of three decades of betrayals at the hands of the UAW bureaucracy need to be drawn, beginning with the necessity for rank-and-file workers to organize their own strike committees independently of the union leadership.

The militant mood of the workers stood in the starkest contrast to the cowardice and prostration that pervaded the remarks of UAW

President Ron Gettelfinger at a press conference held shortly after the beginning of the strike.

Gettelfinger expressed his disappointment with having to call a strike that “nobody wanted.” He said the union had done everything it could to help GM and read off a list of recent give-backs, from the elimination of guaranteed annual wage increases, to the imposition of billions of dollars in health care concessions on retirees, to collaborating with GM on its restructuring plans that eliminated 34,000 UAW jobs.

“We’re very concerned about this company. We’ve done a lot of things for them. But it comes a time when somebody wants to push you off a cliff, and that’s what is happening here.” He concluded by making clear—for the benefit of Wall Street—that the union had already done a deal to relieve the company of its contractual and legal responsibility to provide health care benefits to more than 400,000 retired workers and their dependents.

“This strike is not about the VEBA,” he insisted, referring to the setting up of a Voluntary Employees’ Beneficiary Association that will allow the auto companies to dump their retiree health care obligations by setting up a multi-billion-dollar trust fund controlled by the union. He added that the union would immediately resume talks “to wrap up this strike, and these negotiations.”

The essence of Gettelfinger’s remarks was a plea for the company to agree to token “job security” provisions, in return for the union’s historical sellout on retiree health benefits, which the UAW could use to sell the contract to an angry and skeptical union membership. So-called “job security” provisions have been a staple in Big Three (GM, Ford and Chrysler) contracts for nearly thirty years, in the course of which UAW jobs have plummeted from 750,000 to 180,000, with 100,000 of those jobs wiped out within the past four years. At GM, union jobs have declined since the 1970 strike from nearly half a million to the 73,000 remaining today.

Those who remain on the job have seen their working conditions deteriorate and their wages stagnate—rising at an annual rate of just 1.5 percent above inflation since 1992. At the same time auto executives have enriched themselves, with GM Chief Executive Officer Rick Wagoner pulling in \$10.2 million in total compensation last year.

The union’s announcement of a strike deadline, nine days after the official contract expiration, seemed to take the media by surprise. Union officials had let it be known—despite a blackout on negotiations that left the workers entirely in the dark—that they had no intention of calling a strike. It appears that the UAW shifted course out of desperation, caught between the ruthless

intransigence of the company, which has no intention of halting its downsizing and outsourcing and is set on imposing a two-tier wage system, and the signs of growing restlessness and anger among the workers.

For the workers, the strike is the beginning of a long-delayed struggle to halt and reverse the decimation of jobs, wages, working conditions and benefits. For the UAW, it is a maneuver, designed to cover its collaboration with management and restore a measure of credibility with the workers, while letting off some steam before it completes yet another capitulation.

In the current negotiations, the UAW is once again conspiring behind the backs of its members in order to defend the interests of the small army of highly paid bureaucrats who control the union. The union and management have already agreed to the VEBA scheme, which will turn over tens of billions of dollars into a union-controlled trust fund.

This will transform the UAW from a bureaucratic ally of the companies into a profit-making business in its own right, whose interests are directly antagonistic to those of the workers it nominally represents. If it gets its hands on what would be one of the largest investment funds in the US—making it, in the words of the *Wall Street Journal*, “a significant player in financial circles”—the UAW will be directly responsible for covering any shortfalls by cutting benefits to retirees and imposing further concessions on active workers.

Despite UAW President Gettelfinger’s claims that “retirees have nothing to worry about,” the VEBA agreed to by the UAW at the heavy machinery company, Caterpillar, ran out of cash, forcing retirees and their dependents to pay skyrocketing co-pays and premiums to maintain their medical coverage. The union then came back and helped impose a 50 percent wage cut for new hiresto replenish the exhausted fund.

Workers should emphatically reject the claims endlessly repeated by GM, echoed by industry “experts” and promoted by the media, that the resources do not exist to provide decent wages, job security, health care and pensions. The vast increases in the productivity of labor—driven by advances in science and technology such as robotics, computerization and satellite communications—and the global integration of auto manufacturing have vastly increased the wealth produced by the workers’ labor.

The real issue is this: Is the wealth produced by labor to be used to benefit the working class—the vast majority of the population—and society as a whole, or will it continue to be monopolized by money-mad big investors, speculators and CEOs, whose greed is matched only by their incompetence? To an immense extent, the crisis of the US auto companies has been exacerbated by the socially destructive and manic self-enrichment of the bosses.

GM workers should reject the VEBA scheme and any concessions brought back by the UAW. Negotiations must be taken out of the hands of the UAW bureaucracy by electing independent committees that will fight for demands decided democratically by the rank and file.

In addition committees of hourly and salaried workers should be organized—independently of the UAW—to extend the strike to Ford, Chrysler and the parts suppliers, and set up mass meetings and

demonstrations as part of a broad campaign to win support for the GM workers. This should be part of a campaign to unite all working and young people in the communities being targeted for plant closures and layoffs, and rally the working class across North America and internationally.

GM workers should appeal for solidarity action from their brothers and sisters in Canada, Mexico, Asia and Europe. The answer to the employers’ strategy of divide and conquer is not the nationalism and anti-foreign chauvinism peddled by the UAW, but rather the fight for the international unity and solidarity of workers of all countries.

The fight to defend jobs and living standards is not a struggle against only one employer, but rather a political struggle against the whole economic and political set-up in the US, which sacrifices the needs of working people to enrich a few at the top.

The Democratic Party, which pretends to be a party of the working man, is fully behind the attack by the Big Three automakers. While the leading Democratic contenders for the 2008 presidential nomination—Hillary Clinton, Barack Obama, John Edwards—issued perfunctory statements in support of GM workers, all of them are committed to defend the profit system, which is responsible for the attack on the jobs and livelihoods of workers and their families.

The only answer to the destruction of jobs and living standards is to transform GM and the entire auto industry into a public enterprise, democratically controlled by auto workers and the working population as a whole. Workers have intricate knowledge of the industry’s operations and, with the assistance of trained engineers and other professionals devoted to the common good, could run the industry far more efficiently than the bosses.

A successful struggle by the working class requires a complete break with the Democrats and the two-party system, and the construction of mass socialist party that puts the jobs and living standards of workers around the world before the profits and personal fortunes of the financial elites.

The World Socialist Web Site and the Socialist Equality Party urge GM workers to read the WSWs and send emails to the editorial board expressing your views, experiences and questions or opinions on our analysis of the strike.



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