

# UAW pushes through Chrysler betrayal in face of strong rank-and-file opposition

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The United Auto Workers union announced Saturday that Chrysler workers had narrowly ratified the new four-year contract with the number three US auto maker. The union reported that the agreement, which covers 45,000 US Chrysler workers and 78,000 retirees and surviving spouses, was approved by 56 percent of production workers and 51 percent of skilled workers who cast ballots.

The corporation, now owned by the private equity firm Cerberus Capital Management LP, hailed the passage of the contract. Eight union locals, representing more than 20,000 workers in Michigan, Indiana, Ohio, Delaware, Illinois and Missouri, rejected the agreement.

The contract is a betrayal of auto workers of historic proportions. It opens the way for Cerberus to accelerate plans to carve up the company by shutting down and selling off dozens of factories. It cuts the wages of future workers from \$28 to \$14 an hour, and includes other sweeping concessions, including a four-year pay freeze and give-backs on health benefits for current workers. Abandoning bedrock gains won decades ago, it relieves the auto bosses of their obligation to pay for retiree medical benefits.

In exchange for sacrificing the jobs and living standards of its members, the UAW gains control of a multibillion-dollar retiree health care trust fund, known as a voluntary employees' beneficiary association, or VEBA. With the trust, the UAW becomes the proprietor of one of the largest private investment funds in the US. The corporate entity known as the UAW will in future directly slash the benefits of UAW retirees and their families.

Tom LaSorda, Chrysler's vice chairman and president, hailed the ratification with the standard buzz words employed by the auto companies to describe the ongoing company-union assault on the jobs and living standards of auto workers, saying he was "pleased" that "our UAW employees" recognize that the new agreement provides "a framework to improve our long-term manufacturing competitiveness."

Up to the very end of the ratification process the bitter opposition among rank-and-file workers was evident, despite the campaign of intimidation and lies waged by the UAW to secure passage of the agreement.

On Friday, at a meeting of the last local to vote—UAW Local

1268, which represents 3,800 workers at Chrysler's Belvidere, Illinois assembly plant—Garry Mason, an executive assistant to UAW President Ron Gettelfinger, suddenly announced that the company was eliminating the third shift, wiping out 1,000 jobs, because of slow sales. This was an attempt to blackmail workers into accepting the contract by implying that a rejection of the agreement would amount to a death warrant for the plant. Nevertheless, 55 percent of the workers voted to reject the deal.

As late as Wednesday, following the 72 percent vote against the contract by the union's largest Chrysler local—Local 685 in Kokomo, Indiana—it appeared the contract was heading for defeat. The UAW then threw the full force of its bureaucratic apparatus into the Detroit area to push the contract through at four suburban assembly and stamping plants.

UAW Vice President General Holiefield issued a letter demanding support for the contract from local officials whose positions are dependent on approval by the International union. Holiefield and other top officials then descended on the factories to denounce opponents of the contract and browbeat workers with the prospect of job losses or a drawn-out strike if they rejected the agreement. Conscious of the fact that the UAW would do nothing to win such a struggle and that more than 125,000 workers in the Detroit area had lost their jobs since 2000, most workers reluctantly voted for the sellout.

The UAW leadership was aided by the lack of any serious alternative from dissident UAW local officials associated with the New Directions caucus who opposed the contract, including Bill Parker, the president of Local 1700 at the Sterling Heights Assembly plant. Parker praised Holiefield for giving "us our voice" and hailed the so-called job guarantees Gettelfinger had obtained from General Motors.

That GM's supposed job security guarantees are worthless was demonstrated within days of the ratification of the UAW-GM contract when GM announced the elimination of an additional 2,600 union jobs in Michigan.

After Holiefield met with Local 1700 officials—without Parker—and told them the union had obtained a "secret" agreement from Chrysler to build future products at the Sterling Heights plant, the local leadership's opposition to the contract collapsed. With no serious opposition coming from Parker, workers at the local voted by a 65 percent margin in favor of

the deal, sealing the victory for the UAW.

Parker and the other dissident officials promoted the false claim that rank-and-file pressure could turn the UAW into an instrument of struggle to defend workers' interests. In fact, the transformation of the UAW into a profit-making business by virtue of its control of the multibillion-dollar VEBA trust fund is only the final chapter in the decades-long degeneration of the UAW, which has long defended the interests not of the workers but rather those of the privileged upper-middle-class functionaries who control the organization.

The prerequisite for any serious struggle against the auto corporations is a break from the UAW and the building of rank-and-file committees to wage an independent struggle in defense of jobs and living standards. This requires, above all, a new political strategy to unite auto workers in the US and internationally against the global auto giants and the two big business parties in the US.

One Detroit area Chrysler worker described the campaign of lies and intimidation carried out by the UAW, telling the *World Socialist Web Site*, "Well, the UAW's heavy-handed tactics intimidated them into following blindly. Talking with people at Warren Truck, I understand General Holiefield actually was in the same room as people voting. If that is not illegal, it sure should be!

"This is just another example of a corrupt local, with the strings being pulled by the International union. Warren Truck was [former UAW Vice President for Chrysler] Nate Gooden's home plant, and many International appointees come from this local (the good boys club). This vote has left a bad taste in many people's mouths! This entire vote should be thrown out!"

In the aftermath of the vote, UAW President Gettelfinger, with consummate cynicism, praised the "solid, democratic debate about this contract" but warned that it was now time for the union to "come together." He added that it was "on the company to move ahead, increase their market share and continue to build great cars and trucks here in the US."

As with every statement that emanates from the UAW officialdom, there was not a trace of class consciousness in the UAW president's corporatist and nationalist verbiage. Gettelfinger's words reflect the outlook of aspiring entrepreneurs who use the workers trapped within the framework of the union apparatus as bargaining chips in their efforts to enrich themselves and develop their relationships with the corporate-financial elite.

In fact, the mass opposition to the sellout agreement portends a deepening clash between the workers and the union apparatus. As Gary Chaison, professor of industrial relations at Clark University in Worcester, Massachusetts, told the *Detroit Free Press*, "What happens now is that Chrysler has to work under a collective agreement that does not satisfy half of the members, at least. I don't think there is that much distance between those that voted for it and those who voted against it.

"I think a lot of the people who voted for it are just saying 'I

don't like it, but this isn't the time for a fight.' The others are saying 'I don't like it, but this *is* the time for a fight.'"

The UAW is now setting its sights on Ford workers, who will be asked to accept even deeper concessions than those agreed to by the union at Chrysler and GM. Ford's US market share has been steadily dropping, to about 15 percent this year from 26 percent in the early 1990s, and it is in the process of eliminating 30,000 jobs and closing at least 14 plants.

According to the *Detroit News*, "Sources familiar with the situation have said Ford is looking for more favorable funding terms for the retiree health care trust, a broader definition of non-core jobs that would determine which positions qualify for second-tier wages and benefits, and more restrictions on the jobs bank program that provides wages and benefits to idled workers. Ford also wants to reopen the buyout program that has already persuaded nearly 30,000 workers to leave the company."

In 2005, 48 percent of Ford workers voted against the reopening of their contract, as proposed by the UAW leadership, to impose unprecedented health care concessions on current and retired workers. Given what happened at Chrysler, UAW officials are expected to move quickly to suppress opposition at Ford to the new contract.

"They won't make the same mistake twice," Richard Block, acting director of the School of Labor and Industrial Relations at Michigan State University, told the *New York Times*.

The UAW has established even closer relations with Ford than with Detroit's other Big Three companies. Both Gettelfinger and the union's chief bargainer at Ford, UAW Vice President Bob King, started as union officials at Ford plants and have a long history of collaborating with the company to slash labor costs and boost the corporation's profits at the expense of workers' jobs, working conditions and living standards.



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