Vote “no” on UAW betrayal at Ford! Elect rank-and-file committees for contract fight!

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The United Auto Workers union and Ford Motor Co. signed a tentative contract November 3 covering nearly 60,000 hourly workers in plants across the US.

The following statement is being distributed to Ford workers. It is also posted in pdf *format. We urge WSWS readers and auto workers to download and distribute it as widely as possible.*

Auto workers should emphatically reject the surrender by the United Auto Workers union to Ford Motor Co. and mobilize their full strength to defend their jobs and living standards.

Like the contracts at GM and Chrysler, the UAW-Ford agreement gives the automaker a green light for more plant closings and mass layoffs. Ratification of the contracts at General Motors and Chrysler was followed within days by mass layoff announcements from both companies. The same will happen at Ford if this contract is passed.

The agreement cuts the wages of newly hired workers in half and sanctions the destruction of virtually all of the gains won by generations of auto workers. UAW President Ron Gettelfinger and Vice President Bob King have traded the jobs, wages, pensions and health benefits of UAW members for the right to control a multibillion-dollar health trust fund. The UAW will become a profit-making business and its top officials wealthy executives.

If accepted, the conditions of Ford workers will be rolled back to the days before the union was built in the mass struggles of the 1930s and 1940s. Such a defeat, however, will not be the product of an open battle, in which strikebreakers and thugs are used to smash the union. Ford no longer has to rely on gangsters like Harry Bennett and his Service men to beat up and terrorize workers. In the UAW, Ford has a ready-made structure to suppress the rank and file and impose the company’s dictates.

From the standpoint of the workers’ interests, the UAW is dead and cannot be revived. Auto workers should organize rank-and-file committees, independently of the UAW, to campaign for a rejection of the contract and monitor the ratification vote to prevent the union bureaucracy from intimidating opponents and manipulating the vote tally.

The contract fight must be taken out of the hands of the UAW and a campaign begun to unite all auto workers in an industrial and political struggle to defend jobs and living standards. Ford workers should organize an indefinite strike and fight to mobilize GM and Chrysler behind them. But this can be carried out only through a rebellion against the UAW and its army of bureaucrats.

The flag-waving nationalism of the UAW must be rejected and an appeal made to auto workers in Canada, Latin America, Asia and Europe to wage a common struggle against the global auto giants.

A new strategy is needed, above all, the building of a political movement of the working class, independent of the two parties of big business, to fight for a program that starts from the needs of working people, not the profits and stock portfolios of CEOs and Wall Street speculators.

Workers need their own party fighting for a socialist program, based on the principles of social equality and the defense and extension of democratic rights—including the democratic control of the workplace by the workers who produce the wealth.

Nothing the UAW or the news media says about the tentative agreement should be accepted at face value. The UAW is lying without shame, just as it did at GM and Chrysler, where it claimed workers had won “unprecedented job guarantees.”

Ford intends to eliminate thousands more jobs, in addition to the 33,000 it wiped out over the last two years. The union and the company are currently working out the terms of a new round of early retirements and buy-outs. By agreeing to gut the Jobs Bank and accept a two-tier wage system, the UAW is helping Ford purge the factories of higher-paid veteran workers and replace them with young workers making $14 an hour.

* Jobs

The UAW claims that up to six of 16 factories previously targeted for closure have been saved, including factories in suburban Detroit, Chicago and Cleveland. Even if this were true, it would mean the union had agreed to the closure of at least 10 factories, condemning working class communities in Michigan, Ohio, Georgia, Missouri, and Ontario, Canada to economic catastrophe, and ever greater numbers of home foreclosures, broken families and decaying public schools.

Under the terms of the new contract, negotiators told the *Detroit Free Press*, Ford will continue to “have the flexibility to idle plants later if business conditions necessitate their closure.” Another negotiator told the *Wall Street Journal* that Ford will be able to “make changes to staffing and shifts” at its factories.

Future product investment will be contingent on local agreements to impose speedup, “flexible” work rules and other cost-saving measures. The UAW has already pushed through “competitive operating agreements” at 31 of Ford’s 33 factories, saving the company $800 million a year.

* Two-tier wage system

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The agreement stipulates wage cuts based on the Delphi model, with the pay of newly hired so-called “non-core” workers cut in half. The UAW says this is necessary to “save union jobs” by preventing the outsourcing of work to non-union factories. What this shows is that the UAW is concerned only with collecting dues from workers, not their wages and conditions, which will actually be below those of the average non-union manufacturing worker.

Several skilled trades positions, in addition to jobs that older workers seek off the assembly line, such as maintenance and material handling, will be redefined as non-core, increasing the pressure for higher-paid workers to leave and make room for a new cheap-labor force.

* Health benefits

By relieving Ford of $22 billion in long-term health care liabilities for retirees, the contract puts an end to the principle of company-paid benefits for retirees and their spouses—something that was won in the 1950s and 1960s.

Ford will contribute even a smaller proportion of cash than GM and Chrysler to the so-called “voluntary employees’ beneficiary association,” or VEBA trust—about 45 percent of the overall contribution as opposed to about 55 percent at GM and 50 percent at Chrysler—meaning the VEBA will be severely under-funded from the beginning. The UAW, in its corporate capacity as health insurance provider, will be responsible to cover any shortfalls by cutting benefits.

The VEBA will cover only currently employed workers. It will not cover anyone who is hired after the starting date of the contract. Within a few years, workers at Ford will have no medical coverage once they retire. They will have to rely on a meager 401(k) plan, subject to the ups and downs of the stock market, for their health benefits. These retirees will be stripped of any form of economic security.

The union also agreed to higher co-pays and other takeaways for current workers and retired workers, as well as greatly reduced health benefits for new-hires.

* Wage freeze

Base pay for current workers will be frozen. As a result, take-home pay will be ravaged by inflation. The Cost of Living Adjustment, won by UAW workers in the bitter 67-day GM strike in 1970, is being abandoned. A large portion of COLA increases will be diverted to bolster the VEBA and defray company health costs for current workers.

* Pensions

The pensions of current workers and retirees will also be undermined by the diversion of pension funds into the VEBA. New-hires will receive no employer-paid pension. Instead, they will be saddled with a defined contribution plan, similar to a 401(k). This is the first step in the elimination of pensions for all auto workers.

This betrayal must be rejected. Above all, the political lessons must be drawn. The transformation of the UAW into a profit-making business is the culmination of a long process in which the union has become increasingly antagonistic to the interests of the rank-and-file and ever more the instrument of a privileged bureaucracy that is unaccountable to the members.

This betrayal is rooted in the failure of the entire outlook and policy not only of the UAW, but of the official labor movement as a whole.

The leaders of the unions that emerged from the class battles of the 1930s rejected the building of a labor party and instead aligned the unions with the Democratic Party. This signified the subordination of workers’ interests to the profit system and the abandonment of any struggle for universal, government-run social programs, such as health care.

The UAW purged the union of the socialist and left-wing elements who had led the sit-down strikes of the 1930s and accepted the economic dictatorship exercised by American capital over the working class.

The union responded to the crisis of the US auto industry in the 1970s and 1980s by renouncing any form of class struggle and embracing national chauvinism and the corporatist policy of labor-management partnership. On this basis, it has collaborated in the destruction of 600,000 Big Three UAW jobs since 1978.

In an effort to provide a cover for its sellout of health benefits, the UAW appeals to the Democratic Party to institute national health care. This is a farce. The Democrats, like the Republicans, are funded by big business, including the health-care monopolies.

The Democratic Congress gives Bush hundreds of billions for the war in Iraq, which will soon consume $1 trillion in addition to the lives of thousands of American troops and over one million Iraqis. The full brunt of this tragic waste of blood and treasure is borne by the working class.

A political movement, independent of both corporate-controlled parties, must be built by the working class based on a fundamentally different social principle: Economic life must be organized not to serve corporate profit and private wealth, but rather the needs of working people and society as a whole.

The vast industries upon which modern society depends can no longer be the private domain of corporate executives and Wall Street speculators. The auto industry must be transformed into a public enterprise, democratically controlled by working people.

This is the policy advanced by the Socialist Equality Party and the *World Socialist Web Site*. We urge auto workers and other workers to contact the WSWS to discuss this program and the building of a new leadership of the working class.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

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