

Corporate America honors US auto union president

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In recent weeks United Auto Workers President Ron Gettelfinger has been an object of media affection for his role in forcing through historic concessions in 2007 with the Detroit Big Three automakers—General Motors, Ford and Chrysler LLC.

Crain's Detroit Business made Gettelfinger its “Newsmaker of the Year,” appointing him guest of honor at an upcoming luncheon. *Automotive News*, calling Gettelfinger “The right man at the right time,” named the UAW president its “Person of the Year for 2007,” citing estimates that last fall’s labor agreements will save the US automakers \$1,000 per vehicle.

On January 16 the *Wall Street Journal* published a commentary titled “Two Heroes of Detroit” honoring both Gettelfinger and R.S. Miller, chairman of auto parts maker Delphi, for their roles in engineering an agreement last year that set the pattern for the concessions the UAW granted to the Big Three.

This is hardly the first time that the corporate media has praised the “courage” and “statesmanship” of one or another union bureaucrat for bowing to “realities” and imposing deep concessions. However, the extent of the fawning over Gettelfinger by the business press is somewhat extraordinary. It is further evidence of the fundamental character of the betrayal of carried out by the UAW.

Gettelfinger and the UAW bureaucracy are being recognized for their role in beating down considerable rank-and-file opposition in order to impose unprecedented concessions that will have deep and serious consequences for the entire working class, not just those employed in the auto industry. The agreements negotiated in 2007 with Ford, Chrysler and General Motors, as well as parts makers Delphi and Dana, scrap virtually all of the gains made by industrial workers since the 1930s. Wall Street demanded and got

concessions that it could only dream about in the past: the end the principle of guaranteed employer paid health care and pensions and the imposition of a drastically lower scale of wages in the auto plants. The contract sets the stage for the conversion of what was once the highest paid industrial workforce in the world into low-wage employees.

Most significantly, the contract marked the transformation of the UAW into a profit-making enterprise with a direct stake in the exploitation of auto workers. It established a so-called Voluntary Employees Beneficiary Association, or VEBA, that will put billions of dollars of retiree health care money in the hands of the UAW. The union bureaucracy will secure a financial base administering a multibillion-dollar trust fund and will become the largest shareholder in GM and Ford stocks. While relieving the auto bosses of their obligations to pay retiree health-care benefits, the UAW bureaucracy will receive a massive cash hoard to insulate it against the loss of hundreds of thousands of dues-paying members in the auto plants whose jobs the union has collaborated with the companies to destroy.

It is significant that the *Wall Street Journal* links the names of Miller and Gettelfinger. Miller, who assumed the chairmanship of Delphi in 2005, immediately took the auto parts supplier into bankruptcy and demanded workers take draconian wage cuts, stating bluntly that under conditions of globalized production, the days when US auto workers could expect to receive relatively decent pay were over. He called company-paid retiree health-care benefits, lifelong pensions and other achievements won by auto workers over decades of struggle “anachronisms.” US companies could not compete in the world economy if they were forced to continue to pay health-care and pension benefits to

retired workers, who, Miller lamented, were living decades after retirement.

Given the corporatist and nationalist outlook of the UAW, Gettelfinger agreed to the need for “transformational” contracts in the auto industry and accepted Delphi’s demand for a wage reduction from \$28 to \$14 per hour along with the scrapping of employer-paid pensions and other concessions. The Delphi settlement then set the stage for the subsequent agreements with Ford, General Motors and Chrysler.

Unlike the Chrysler concessions of 1979, there is no talk that wage and benefit cuts will be restored when the auto industry turns around. It will not be long before the terms set by the UAW betrayal, which historically has set the standard for the industry, become the norm.

As for the pathetic claim that the 2007 contract saved jobs, that has been answered in recent days by the announcement by Ford, Chrysler and GM of more early retirement incentives and buyouts, presaging a further massive downsizing. Total hourly employment at the three US-based car companies could soon drop below 100,000. This follows the destruction of more than 100,000 auto jobs since 2005.

In fact, even before the contracts were signed the UAW had agreed to a massive downsizing of the industry and the replacement of a portion of higher-seniority workers with young workers making half the wages.

The anointing of Gettelfinger as a “hero” by the ultra right-wing and bitterly anti-worker *Wall Street Journal* is of particular significance. It is a further confirmation that the organization Gettelfinger heads has nothing to do with the interests of auto workers or any other section of the working class.

The events of 2007 are the outcome of a process of degeneration that began long before the arrival of Gettelfinger. It is the product of decades of betrayals by the UAW, the outcome of that organization’s program of nationalism and defense of the capitalist profit system expressed in its political alliance with the Democratic Party.

The UAW has shed all past traditions of working class solidarity, suppressing strikes and pitting workers in different factories and within factories in competition against one another. It has shamelessly sought to pit older and younger workers against each other in an

attempt to break down all remnants of class consciousness.

The degeneration of the UAW has proceeded in parallel with the entire US trade union movement, which is at its lowest point in membership as a percentage of the workforce since prior to the emergence of the mass industrial unions in the 1930s. The percentage of private sector union membership now stands at just 7.5 percent.

The central lesson to be drawn from this bitter experience is the need to break free from the UAW and the AFL-CIO and establish new, independent organizations of the working class. This requires a rejection of the nationalism and pro-capitalist ideology that lies at the root of the UAW’s betrayals.

It is impossible for American workers, or workers in any country, to maintain decent living standards based on organizations that defend a capitalist profit system that condemns hundreds of millions of workers all over the world to poverty, low wages and early death at the hands of the multinational corporations. The building of organizations based on the international unity of the working class and the struggle to place the auto industry under public ownership is a life-and-death question.

What is required to unite these struggles is the building of an independent political movement of the working class based on the conscious fight for the international unity of the working class in the struggle against capitalism.



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