

A socialist policy for auto workers

Socialist Equality Party
15 December 2008

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Against the backdrop of threatened bankruptcy of the US auto companies and a deepening recession, Congress and the White House are preparing an historic attack on the working class. The American ruling elite sees the economic crisis as an opportunity to carry out a fundamental restructuring of class relations in America, destroying whatever remains of the gains made in struggle by previous generations of workers.

Whatever the differences between the various factions in Washington, all insist that workers' living standards must be slashed if the auto industry is to remain "viable." What they really mean is that work force exploitation must be intensified. Workers must be forced to accept their own impoverishment to make a downsized auto industry a profitable source of investment for the financial elite.

The auto loan bill backed by the Democrats, the Bush administration and the United Auto Workers union, which failed in the Senate last week, would have given General Motors and Chrysler \$14 billion in loans in return for the shuttering of factories, the destruction of tens of thousands of jobs, the elimination of health care and pension benefits, and the lowering of wages under the direction of a "car czar." The Bush administration is now suggesting it may release funds from the US Treasury, contingent on such sweeping concessions from the workers, while a faction of the Republican Party is threatening to force the companies into bankruptcy. It would then be left to a judge to terminate existing contracts and impose concessions, or oversee the liquidation of the Big Three auto companies.

The media and politicians speak of making workers' wages "competitive." What does this mean? New-hires at GM, Chrysler and Ford now make \$14 an hour. This will be made a benchmark for all auto workers.

In 1967, the average Ford worker made \$178 a week, or

about \$4.45 an hour. This is the equivalent of about \$27.70 in today's dollars, according to the US Bureau of Labor Statistics—roughly the hourly wage of a current senior auto worker. But as a result of the bailouts being proposed by the Bush administration, the Democrats and the UAW, auto workers will be earning a wage equivalent to about half of what their fathers and grandfathers were making 40 years ago.

The attack on auto workers will become the starting point for a wave of wage-cutting in every sector of the economy, just as the Chrysler bailout and the defeat of the PATCO air traffic controllers strike nearly three decades ago ushered in a wave of wage-cutting across the country. Wage cuts will only be the beginning. The floodgates will be opened for new attacks on pensions, health care, Medicare and Social Security—on all programs that detract from the profits of corporations.

What is happening to auto workers is part of a larger crisis that is devastating all sections of the working class. Unemployment levels are rising rapidly, millions are losing their homes, and cities and states are teetering on the brink of bankruptcy. Essential social services, including schools for the youth, are being starved of funds.

These events expose the utter failure of the policy of the United Auto Workers and the American trade union bureaucracy as a whole. In 1979, as part of the Chrysler bailout, the UAW accepted mass layoffs and concessions in exchange for a seat on the company's board of directors. Since then, the union has ever more closely integrated itself into the corporate structure, abandoning any conception that the working class has independent interests that must be fought for in opposition to management.

On Friday, UAW President Ron Gettelfinger spoke of the concessions the union has already agreed to and the new concessions it is prepared to accept: the elimination of the jobs bank, the gutting of the retiree health care fund, further wage and benefit cuts, including the ending of supplemental

unemployment pay. Based on the public statements of Gettelfinger himself, the only difference between the UAW and the most anti-labor sections of the political establishment is not whether UAW workers' compensation should be reduced to the level of workers at non-union plants, but how quickly this is to be achieved.

Workers must reject the entire framework of the so-called "bailout" proposed by the two big business parties and the union. They cannot let economic decisions affecting the lives of millions remain in the hands of the corporations and the political establishment. The only way to avert a disaster is for the workers to take matters into their own hands and assert their own class interests.

A radically new strategy is needed that involves a change in the activity, politics and philosophy of the labor movement. The Socialist Equality Party proposes:

1. Revival of direct struggle based upon the independent interests of the working class. Workers should organize demonstrations, strikes and factory occupations—the militant traditions of an earlier period that have been suppressed by the trade union bureaucracy. The occupation of Republic Windows and Doors by workers in Chicago has given a lead to workers everywhere, raising the need to revive the methods of struggle, including the great sit-down strikes in the auto industry that were employed in the 1930s.

The SEP calls on workers to form independent rank-and-file factory, workplace and neighborhood committees to organize opposition to the plans of the banks and corporations. Workers should prepare to occupy the auto plants and engage in mass strikes to oppose wage-cutting and prevent further shutdowns and layoffs. Such a strategy requires a break with the UAW and the entire trade union bureaucracy and the creation of new, genuinely democratic forms of working class organization.

2. A break with the Democratic Party and the politics of class collaboration. Industrial action must be linked to a new political strategy. For decades, the unions have promoted the myth that the interests of workers can be advanced through the Democratic Party. The Democrats, no less than the Republicans, represent the corporations and banks. Workers should place no reliance on the incoming Obama administration, which fully supports the assault on the auto workers. Workers need a new political party based upon their independent interests.

3. Rejection of the capitalist market and revival of an international socialist movement of the working class.

Workers within the United States and throughout the world are facing the consequences of an economic system whose central principle is the pursuit of private profit—regardless of its consequences for society as a whole. In response to the unfolding crisis of world capitalism, the SEP fights for the socialist reorganization of the economy. This includes the nationalization of the auto companies and the major banks, placing them under public ownership and the democratic control of the working population, and their operation on the basis of social need, not private profit.

A revived political movement of the working class must have as its aim the fight for a workers' government—a government of, by and for the working class. The population of the world is being taught an object lesson in the class nature of the state under capitalism. Trillions of dollars have been handed out with no conditions to the giant banks and financial institutions. However, any loans to the auto industry are conditioned on massive concessions from the workers. In both instances, the state is directly functioning as an instrument of the most powerful sections of the financial elite.

In every country workers face a similar future: rising unemployment, declining wages, economic depression. Workers should reject all forms of nationalism and chauvinism promoted by the trade unions. The crisis of capitalism is a global crisis and the response of the working class to this crisis must be a global response.

Auto workers and workers throughout the world: It is time to take up a fight! Strong, independent action now will win mass public support in every country. Don't let the corporations and banks seize the initiative! Begin to organize today to defend your independent interests!

The Socialist Equality Party urges workers who agree its perspective to join the SEP and take up the fight for socialism.



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