

The UAW's silence

Jerry White
9 April 2009

It has been well over a week since US President Barack Obama rejected the restructuring plans of General Motors and Chrysler and threatened to throw the car companies into bankruptcy if they did not drastically downsize and impose even more “painful concessions” on auto workers.

Top executives at the two companies immediately pledged to accelerate plans to close more factories, lay off tens of thousands and impose deeper wage and benefit cuts on workers and retirees. If this cannot be achieved through negotiations, GM interim CEO Fritz Henderson said, it would be done through the bankruptcy courts.

In the face of this, the organization that claims to represent the 90,000 unionized workers and nearly 1 million retirees at GM and Chrysler has said nothing. United Auto Workers President Ronald Gettelfinger has not uttered a word, nor have any public statements appeared on the union's web site. Asked why, a UAW spokeswoman told the WWSW, “the union has chosen not to issue a statement” and would not be “pressured” to do so.

This silence is highly significant. It can be explained only by the fact that the UAW bureaucracy is once again conspiring behind the backs of its members to impose massive concessions on auto workers.

UAW officials feel nothing but contempt for their members and prefer to keep them in the dark as the government, acting at the behest of the financial aristocracy, prepares to strip workers of their livelihoods and wipe out communities across North America.

The UAW's previous policies, including its full support for President Obama, have been exposed as a complete failure. Noting the lack of response by the UAW, Reuters news service wrote, “Auto analysts see the union as shell-shocked by the hard line taken by Obama, a former community organizer who won huge

support from the UAW and other unions in last year's election.”

If this is true, it only underscores the ignorance and stupidity of the UAW bureaucracy.

What did it expect from a president who has handed trillions to the Wall Street banks and handed control of the auto industry over to a task force made up of former private equity and hedge fund managers?

Unwilling to acknowledge the failure of its whole political outlook, let alone change course, the UAW bureaucracy chooses to remain silent on Obama's role.

This is not a question simply of mistaken politics. The UAW's alliance with the Democratic Party reflects the role of the bureaucracy in subordinating the working class to the capitalist system. The interests of this organization—and the US trade union bureaucracy as a whole—are fundamentally antagonistic to the interests of the workers it claims to represent.

The UAW and other unions long ago abandoned any resistance to the employers, and in the name of labor-management “partnership” and economic nationalism suppressed every struggle against plant closings, mass layoffs and concessions.

As its base of dues-paying membership fell—from a peak of 1.5 million in 1979 to 431,000 today, the lowest level since WWII—the bureaucracy increasingly sought to find other sources of income to protect its privileges. This culminated in the “transformational” contract signed in 2007, in which the UAW was handed control of a multi-billion dollar retiree health care trust fund in exchange for cutting the wages of new hires in half and other concessions.

With that deal, prepared in consultation with the Wall Street investment firm Lazard Freres, the UAW has sought to transform itself into a profit-making business.

The UAW bureaucracy is now in intense negotiations with the White House, the auto companies and big

investors over how to secure its own interests in the ongoing carve up of the auto industry. Among those negotiating with the UAW are two former Lazard investors on Obama's task force, Steven Rattner and Ron Bloom. The latter was an advisor to the Steelworkers union during the dismantling of the steel industry earlier this decade.

The Obama administration is widely expected to use the bankruptcy courts to break up GM into two companies—a “good” one, which will retain Chevrolet, Cadillac and other profitable brands and assets and a “bad” GM that includes Hummer, Saturn, some closed plants and massive debts, including billions in pensions and medical benefits owed to retirees.

Before making such a deal, *Businessweek* reports, the government wants the UAW to accept more than half of \$20 billion owed to its retiree health care fund in stock instead of cash. The administration also wants the UAW to accept an entirely new contract, which sharply cuts medical benefits and reduces current workers' wages to the level of non-union workers at Japanese-owned plants in the US.

In exchange, the UAW would reportedly become one of the biggest shareholders in the new company. As *Businessweek* notes, “While GM's shares trade at just \$2 now, management has made the case that with less debt and without constant bankruptcy speculation, it would be worth far more.”

In other words, the UAW bureaucracy stands to make millions as a junior partner in the exploitation of its own members. Its overriding concern is how to keep the automakers going as profitable concerns, even under conditions in which the companies are a shadow of themselves and workers are reduced to poverty wages and sweatshop conditions.

For the union bureaucrats, accomplishing this task requires above all suppressing any opposition from the workers. In this sense, a bankruptcy may be preferable, as it would allow the union to avoid another contract vote—a vote that could well fail. The concessions would instead be imposed by a judge, and the union can pretend to wash its hands of any responsibility for wiping out wages and pensions.

The precondition for any struggle by auto workers against the destruction of their jobs and livelihoods is a complete break with the rotten UAW bureaucratic apparatus. Workers must take the initiative now to

build new organizations of struggle, including rank-and-file factory committees. Above all, what is required is the construction of a political movement of the working class on the basis of a socialist and internationalist strategy.

Jerry White



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact