Reject UAW-Ford concession demands

Elect rank-and-file committees to defend jobs and living standards

Socialist Equality Party
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This statement is also available as a PDF.

Ford workers should reject the contract agreement between Ford and the United Auto Workers and begin organizing rank-and-file committees to launch a struggle in defense of jobs and living standards. This fight should be linked up with GM, Chrysler, and all auto workers in an industry-wide strike to overturn the wage and benefit cuts imposed by the Obama administration.

The UAW has demonstrated once again that it does not serve the interests of auto workers, but rather the corporations, the government and the hundreds of highly-paid executives in the UAW apparatus. To begin any serious fight, auto workers must throw the UAW out of the factories and build new organizations of struggle.

There is every reason to believe that the vote will be rigged to get the result the UAW desires. The contract was declared ratified at Wayne Assembly 51 to 49 percent, but most workers say the vast majority voted "no." Unnumbered ballots were used, making ballot stuffing easy. If, despite this, the contract is voted down, the UAW will simply make workers vote again "until they get it right."

In this latest concessions contract, the UAW has agreed to freeze wages and expand the use of so-called entry-level workers. This will enable Ford to accelerate its plans to get rid of higher-paid veteran workers and create a brutally exploited cheap labor workforce. Older workers who remain will be subject to speedups and job overloading due to the further destruction of work rules and job classifications accepted by the UAW.

By agreeing to binding arbitration over wages and benefits when the current contract expires in 2011, the UAW is essentially stripping workers of the right to vote on these issues and banning strikes over compensation until 2015. This can mean only one thing: the UAW is preparing to push through further massive concessions over the next six years.

In exchange, workers will receive a $1,000 signing bonus—to cut their own throats—along with supposed "job security" commitments. These promises will have no more meaning than all the rest over the last three decades, during which time nearly three quarters of a million auto jobs were wiped out and hourly employment at Ford fell from 174,000 to 41,000.

This time the company and the UAW cannot use the threat of bankruptcy to extort concessions. Ford made $2.8 billion in the second quarter and it is expected to show improvements in the third, having gained a full point of market share in the US this year alone. In Europe, it is enjoying the best market share in nearly a decade and vehicle sales in China were up 79 percent in the 3rd quarter from a year earlier.

Asked why auto workers should give up more under these conditions, UAW President Ron Gettelfinger told Fox Business News, "We want to see Ford be profitable and we're hoping that they have a good quarter… And to us it's important that we level the playing field between Ford, GM and Chrysler. We have pattern bargaining and we wanted to take advantage of this opportunity."

"Pattern bargaining" used to refer to bringing all auto workers up to the level of the best contract. Now it means the opposite, with the UAW insisting that Ford workers must be forced to accept the same concessions it rammed down the throats of GM and Chrysler workers.

For decades, the UAW has preached the corporatist doctrine of "labor-management partnership," arguing that auto workers have one responsibility: guaranteeing the profitability and competitiveness of the US auto

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makers. This, the UAW claimed, would guarantee jobs. Instead the billions stolen from auto workers were handed over to corporate executives, big shareholders and the Wall Street banks who systematically dismantled the auto industry.

The forced bankruptcies and restructuring of GM and Chrysler by the Obama administration have set the stage for a campaign of wage-cutting by employers throughout the economy. The *New York Times* recently reported pay cuts in the US "are occurring more frequently than at any time since the Great Depression." Weekly pay for production workers, representing 80 percent of the workforce, has fallen for nine consecutive months—the longest stretch in nearly half a century. The previous record was a two-month period during the 1981-82 recession.

While workers are losing their jobs, their life savings and their homes, the financial aristocracy, which was given trillions in public funds, is enjoying the "economic recovery." This week, a number of major US banks and financial firms reported huge profits, and Wall Street is on track to hand out a record $140 billion in compensation this year. The big investors celebrated the news, driving the stock market above the 10,000 mark for the first time in a year.

After cutting the benefits of retired auto workers, Obama plans to further slash health care costs for big business. Included in the planned health care overhaul are taxes on so-called Cadillac health plans, which will be translated into higher co-pays and premiums for auto workers and their families.

The UAW has been complicit in all these attacks. In exchange, the UAW has become one of the biggest shareholders at GM, Chrysler and Ford. It would be more accurate to refer to this organization as UAW, Inc. rather than a "union." As major shareholders, the UAW executives have a direct financial incentive to slash the wages and benefits of the workers they claim to represent.

Rank-and-file committees of Ford workers should be organized to campaign for the defeat of the contract and to prepare for national strike action, along with GM and Chrysler workers. The "Buy American" nationalism of the UAW must be rejected and a special appeal made to auto workers in Canada, Latin America, Asia and Europe to mount a common struggle against the destruction of jobs and wages in the global auto industry.

Above all the working class faces a political struggle against the Obama administration and the two parties of American capitalism, the Democrats and Republicans. To make sure the wealth produced by the working class is used to meet society's needs, not bail out the rich and wage war, the working class must take political power into its own hands.

Workers are not responsible for the collapse of the auto industry, let alone the worst crisis of American and world capitalism since the Great Depression. The ill-gotten gains of the financial aristocracy and corporate elite should be confiscated without compensation. Trillions must be allocated to create good-paying secure jobs, guarantee health care, housing and education to all, and put an end to foreclosures, evictions and utility shutoffs.

The auto industry—built up through the labor of generations of workers—cannot be left in the hands of the corporate executives and Wall Street asset strippers who have worked to destroy it. Instead, the industry must be transformed into a public utility, owned and controlled by working people, with all economic decisions, including the election of management, subjected to democratic vote.

The necessary basis for a solution to the economic crisis in the interests of the working class is the struggle for socialism, for democratic and rational control of the major banks and corporations. Workers must come face to face with the basic question of what determines the course of social and economic development—profit or social need, the wealth of the financial aristocracy or the interests of the working class, capitalism or socialism.

We urge all auto workers who agree with this perspective to join and build the Socialist Equality Party.

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