

Reject UAW sellout! Establish rank-and-file committees to prepare strike action!

Abolish two-tier wage and restore pay and benefit concessions!

Socialist Equality Party
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Supporters of the Socialist Equality Party are distributing the following statement to General Motors workers calling for a rejection of the new four-year agreement signed by the UAW.

Rank-and-file workers at General Motors should begin now to campaign for the defeat of the sellout agreement signed by the UAW and the mobilization of all auto workers to restore the pay and benefit concessions imposed by the auto bosses and the union over the last decade.

UAW President Bob King claims the deal is a victory for workers. He is lying and workers know it. The agreement is not the result of genuine collective bargaining, but rather a conspiracy by the companies, the government, the banks and the UAW to drive down even further the conditions of auto workers and increase their exploitation.

Wall Street bid up the company's stock price once the content of the agreement became clear. Sitting on a \$30 billion cash hoard, the company gave no wage improvements to workers who have seen the value of their take-home pay fall by 20 percent since 2003 due to a wage freeze, the loss of COLA and inflation. The meager signing bonus and profit-sharing will do little to offset this disastrous loss of income.

Thousands of tier-two workers will continue to earn near-poverty wages. GM has more than offset the cost of pay increases for these workers by expanding the percentage of workers who will receive tier-two wages. The UAW has made clear it will give up wage increases for auto workers in exchange for "new jobs,"

i.e., more workers forced to labor for sub-standard wages, whose addition will provide new dues income for the Solidarity House executives.

Echoing GM officials and Wall Street analysts, the UAW praised the fact that the agreement will not increase the automaker's "fixed costs." This only underscores that the UAW—after three decades of labor-management partnership—has repudiated any conception that workers have independent interests that must be protected, regardless of the economic fortunes of the companies.

According to the UAW, everything that affects workers—wages, working conditions, job security, retirement benefits—must be subordinated to the profits of the auto bosses. This allows the companies to operate virtually risk-free, as the workers will be forced to pay for any loss in profitability in the form of lost wages and benefits. Meanwhile, the CEOs, big investors and UAW executives—who control billions in auto stocks themselves—will be able to rake in huge returns even under conditions of an economic slowdown and depressed car sales.

The sole concern of the UAW executives is protecting their financial base and institutional interests. By imposing this sellout, King & Co. hope to convince the foreign owners of the US transplants that they can make more money by allowing the UAW in to help police their workforce.

The contract must be rejected and an all-out fight taken up to abolish the two-tier wage system, restore all concessions and win a substantial wage increase for all workers, including full cost of living protection. The

social right of every worker to a decent-paying job must be secured.

This requires a rebellion against the UAW. The Socialist Equality Party calls for the formation of rank-and-file committees elected and controlled by the workers themselves. These committees will have the task of establishing lines of communication with workers in every GM factory to begin the campaign for a national strike. All threats by the company and the government to use the anti-strike clause signed by the UAW should be answered with mass demonstrations and factory occupations. The right to strike is the right to fight.

GM workers must not fight alone. Appeals for solidarity action should be issued to Ford, Chrysler, non-union and auto parts workers who confront similar attacks on jobs and living standards. The poisonous “buy American” nationalism promoted by the UAW must be rejected and a special appeal made for a joint struggle with workers in Canada, Mexico, Latin America, Europe and Asia.

Throughout the world there is a growing recognition that workers must fight the global attack on jobs and oppose the brutal race to the bottom in wages and benefits. In recent weeks, auto workers have launched militant strikes in India, Australia and France, a year after Chinese auto workers rebelled against brutal conditions at Honda and other automakers.

Voting down the contract is only the first step. As the rejection of the 2009 Ford contract showed, the UAW apparatus will not bow to pressure from below under any circumstances. Instead, it will use every means at its disposal—lies, intimidation, threats of government intervention and plant closings—to impose the will of the corporations and the banks.

The struggle must be organized independently of and in opposition to the UAW. Workers must also reject the phony dissident groups like Autoworkers Caravan, New Directions and Soldiers of Solidarity, which upholding the authority of the UAW over workers.

New organizations of struggle are needed together with the fight for an entirely new political perspective.

Workers must understand that they are in a fight not only against one company but against the entire profit system and both the big business parties that defend it.

The Obama administration did not intervene in 2009 to save workers’ jobs, but to use the threat of

liquidation to destroy the gains of generations of workers and secure the profit interests of the banks and financial institutions. The concessions Obama imposed on auto workers set a precedent for the job cuts and wage and benefit givebacks that have been imposed across the entire economy.

Three years after the financial crash, the banks and corporations are once again raking in billions. For the working class, however, mass unemployment, low wages and permanent insecurity has become the “new normal.” An entire generation is being told they will never attain the living standards achieved by their parents.

Workers must be organized as an independent force to conduct an industrial and political fight to break the stranglehold of the financial elite over society and reorganize the economy in the interests of the working class—the vast majority of the population.

Seventy-five years ago, left-wing militants and socialists led a rebellion against the pro-company AFL union and established the UAW in the sit-down strikes in Flint and other cities. The militant and socialist traditions that animated those struggles must be revived and combined with an understanding of the political limitations of that movement, which was ultimately aborted by being tied to the Democratic Party and the profit system by Reuther and other CIO leaders.

The capitalist system has failed and is threatening to return workers to the conditions of brutal exploitation of the 1930s. Economic life must be organized according to a rational plan, drawn up democratically by those who produce society’s wealth, in order to satisfy human needs, not private profit. This includes transforming the auto industry into a publicly-owned utility as part of planned socialist economy in the US and internationally.

The Socialist Equality Party calls on auto workers who see the necessity to begin this fight to contact us, study our program, and help build the SEP as the new leadership of the working class. For information on the SEP and its program, click here.



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Socialist Equality Party visit:

wswp.org/contact