US auto workers face historic struggle

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8 September 2011

On September 14 the four-year labor agreements covering 114,000 US auto workers at GM, Ford and Chrysler expire. Although the companies have raked in more than $7 billion in profits this year, they have made it clear that workers—who have not had a raise since 2003—will see no improvements in wages or working conditions.

On the contrary, with the full backing of the Obama administration and the United Auto Workers (UAW), the auto executives are pressing ahead with plans to drive out the remaining better-paid workers and create a low-paid, casualized workforce.

If this is to be stopped, workers must find a new road of struggle, independent of the UAW. They must begin with the realization that workers face a political struggle against the Obama administration's cuts, which are supported by the UAW.

The Obama administration's 2009 restructuring of GM and Chrysler was the culmination of a three-decade-long assault on auto workers. With the complicity of the UAW, the White House used the threat of liquidation to slash wages in half for new-hires, dump hundreds of thousands of retirees and their families into an underfunded health insurance scheme run by the UAW, and eliminate annual wage increases, cost-of-living adjustments and unemployment protections.

The rollback has been used by corporate America to launch a wage-cutting campaign against every section of the working class. This has fueled an explosion of profits, even as mass unemployment continues and the economy slides into a deeper recession.

The low-wage benchmark set by the UAW has already set off a competitive struggle in the global auto industry, with Fiat-Chrysler boss Sergio Marchionne telling Italian workers they must accept American-style concessions or he will move production to North America for cheaper labor.

Once the highest paid industrial workers in the US, a newly hired UAW worker now earns a "tier two" wage of $14 an hour. This is the equivalent, once inflation and union dues are taken into account, to the 92 cents an hour their counterparts made in 1931—four years before the UAW was established. As for "tier one" workers, they have seen their wages' purchasing power fall to the level of nearly a half-century ago.

Inside the factories workers face 10-12 hour days, speedup on the assembly line, shorter breaks and vacation time and the constant threat of job loss. Laid-off workers are forced to uproot their families and move hundreds of miles to take work at other plants. The UAW has also given up the right to strike at GM and Chrysler and agreed to binding arbitration, essentially stripping workers of any vote on the final contract.

The reason for this policy is not a lack of money, but the arrogance and parasitism of the auto bosses and the entire financial aristocracy. As a recent article in *Automotive News* noted, a four percent pay increase and the restoration of annual cost of living adjustments for Ford's 41,000 workers would cost the company around $95.5 million—"just a tad less than the combined $98 million in pretax stock awards made in March to Ford CEO Alan Mulally and Executive Chairman Bill Ford Jr."

Nevertheless, the industry publication wrote, corporate executives and union officials all agree that raises are "out of the question."

Auto workers can struggle to defend their living standards only if they break with the union bureaucracy, which openly proclaims its support for deep attacks on the working class.

Thus, in his remarks to the Detroit Economic Club last month, UAW President Bob King pledged the union would not burden the companies with higher "fixed costs," i.e., higher hourly wages. He added that the UAW was committed to maintaining the profits of

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the auto bosses. “We just want to make sure we come out of this negotiation over the next four years structuring our companies to succeed,” he told his audience of executives. “If you add fixed costs, they won’t be able to do that.”

Seventy-five years ago auto workers, led by socialists and left-wing militants, spearheaded the industrial organization of the American working class in the 1936 Flint sit-down strike against GM. However, the leaders of the newly organized UAW and CIO, including Walter Reuther, subordinated the working class to the Democratic Party and its promotion of anti-communism.

The implications of this historic betrayal did not become fully apparent until the late 1970s. Faced with militant workers’ struggles of the 1960s and 1970s and the rise of Asian and European competitors, US auto bosses began shutting down plants and waging a massive offensive against the workforce. In the ensuing years, workers in auto and other critical industries saw their living conditions slashed and their plants shut down, even as the wealthy enriched themselves massively with the union bureaucracy’s support.

The elevation of Bob King—the son of a Ford industrial relations manager—to the highest position in the UAW is symbolic of the going over of this organization to the side of the bosses, the bankers and the state.

The UAW is not a “union” in any meaningful sense of the word. Instead, it is a multi-billion-dollar business dedicated to the defense of corporate profits and the affluent lifestyles of the executives that run it. The main concern of the UAW apparatus is gaining seats on corporate boards and enticing the companies to bring back more production to the US, so it can collect more union dues from workers making poverty-level wages.

The only way auto workers can defeat this conspiracy is to break with the UAW and organize independently of it. This begins with the formation of rank-and-file committees to unite every section of auto workers.

These committees, democratically controlled by workers themselves, must spearhead the fight to abolish the hated two-tier wage system, restore the right to strike and mobilize the full industrial and political strength of the working class. All closed plants must be reopened and employer-paid benefits restored in order to guarantee the right to secure employment for all workers.

At the same time, auto workers must be politically armed against the bosses and the Obama administration, who will argue—while they hand over trillions of dollars in bank bailouts for Wall Street—that there is no money for the workers. This is a lie. The wealth exists, but it has been taken by the capitalists.

This means a break with the anti-communism and nationalism of the union bureaucracy and a turn by the working class to socialism. Auto workers must revive the socialist traditions of workers of an earlier generation, who consciously fought the corporations, the capitalist system and the two big business parties that defend it.

The struggle of auto workers must be linked up with the fight of the whole working class against the destruction of jobs, social programs and the transfer of wealth into the pockets of the richest one percent of society. The auto industry must be turned into a public utility, under the democratic control of the working class, as part of socialist transformation of the US and the world economy.

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