

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

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

Socialist Equality Party (US)
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Supporters of the Socialist Equality Party are distributing the following statement to Ford workers calling for a rejection of the new four-year agreement being pushed by the UAW. We urge workers to download the statement and circulate it.

Workers at Ford should organize now to defeat the sellout contract signed by the UAW and take the leadership of all auto workers in a struggle to abolish the two-tier wage system and restore all pay and benefit concessions.

With Ford making billions and stuffing the bank accounts of its top executives, UAW President Bob King is demanding workers accept a deal that will sharply increase the number of low-paid tier-two workers and continue the eight-year pay freeze for current workers. By the end of the four-year deal this will mean a cut in real wages of thousands of dollars for each worker.

The agreement is modeled on the UAW-GM deal, which increases labor costs by only 1 percent, the smallest rise in four decades. John Fleming, Ford executive vice president for labor affairs, boasted that the company will see no significant rise in labor costs under the new contract.

Like the GM deal, the pact with Ford substitutes profit sharing and “competitive awards” for wage increases. In addition to robbing workers of future pension payments, this will lead to speed-up and a wave of industrial accidents, and will further cement the UAW’s role as a wing of corporate management. On top of this, 10 percent of the profit-sharing checks

will be diverted into the retiree health care fund controlled by the UAW.

The goal is to permanently end “middle class” wages by ridding the industry of higher-paid workers and replacing them with a cheap labor workforce. The UAW is boasting that Ford will “in source” work from Mexico and China. At least 5,750 of the jobs supposedly being created will pay tier-two wages. Whatever meager wage increase they receive will be more than offset by the expansion of the number of low-wage workers.

The signing payment and other lump-sum bonuses being used to push this rotten deal fall far short of the \$7,000 to \$30,000 in annual wages and benefits each worker has lost since 2007. The company has refused to restore COLA and hourly wage increases—which would cost *less* than the \$98 million in stock awards it handed over to Ford CEO Alan Mulally and Executive Chairman Bill Ford Jr. last March.

From the beginning King has insisted the UAW would not increase the automaker’s “fixed costs.” In doing so, the UAW is abandoning any conception that workers have interests that must be defended regardless of the profits for the corporations.

An equity analyst quoted by the *Wall Street Journal* celebrated the deal as a “win-win for the UAW and the auto makers.” The UAW, he said, “is adding more members to its ranks, while GM and Ford benefit with cheaper labor that allows them to be more strategic in how they use their US plants.”

Indeed, the negotiations have been little more than a conspiracy between two business entities that have a

vested interest in wrenching ever-greater profits out of the backs of workers. More poverty-level jobs mean millions more in dues income for UAW executives like King and Settles, whose six-digit salaries and expense accounts shot up 24 percent between 2009 and 2010. More profits also boost the value of the Ford, GM and Chrysler shares held by Solidarity House.

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 Ford factory to begin the campaign for a national strike.

Ford workers must not fight alone. Appeals for solidarity action should be issued to GM, Chrysler, non-union and auto parts workers who face the same attacks on jobs and living standards. All threats by the auto bosses and the Obama administration to use 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.

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 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 workers’ 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, vote-rigging, intimidation, threats of government intervention and plant closings—to impose the will of the corporations and the banks.

Despite the claims of phony dissident groups like Auto Worker Caravan and Soldiers of Solidarity, the UAW cannot be reformed. New organizations of struggle are needed together with the fight for an entirely new political perspective.

Workers are in a fight not only against one company but against the entire profit system and both 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. Three years after the crash, the corporate and financial elite are again raking in billions while mass unemployment, low wages and permanent insecurity has become the “new normal” for the working class.

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 should 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.

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. Economic life must be reorganized 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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