The UAW and the “reincarnation” of the US auto industry

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The new four-year labor agreements at General Motors, Ford and Chrysler are a bitter blow to American auto workers that will lead to a rollback in the wages and conditions of workers throughout the global auto industry. They set a precedent for a further corporate offensive against every section of the working class.

Wall Street hailed the deals for increasing labor costs by the smallest margin since 1970. “It's the reincarnation of the industry,” analyst Michael Robinet of IHS Global Insight told the *Detroit News*, praising the “new focus” of corporate management and the United Auto Workers union “on bottom-line profitability, versus yesteryear, which was about keeping your labor pool busy at all costs…”

The auto contracts mark a new milestone in the efforts, led by the Obama administration, to use the economic crisis as an opportunity to drastically reduce the incomes of workers throughout the country. Beginning with the forced restructuring of the auto industry in 2009, the administration has worked closely with the companies and the UAW to restore corporate profitability by impoverishing auto workers, which will serve as a benchmark for workers throughout the country.

Both the content of the contract and the way it was pushed through demonstrate that the UAW, along with the official trade unions as a whole, is not a workers organization, but acorporatist syndicate.

Financial analysts have lavished praise on the UAW for “making peace” and recognizing that guaranteed wage increases and cost of living improvements were a thing of the past. The UAW agreed that workers would receive one-time cash rewards only if the company was profitable and workers met production and quality targets.

Speaking on PBS television Wednesday night, UAW President Bob King said, “Our view has changed, we understand the people who have the most at stake in the long-term success of these companies is our membership.” The auto industry, King continued, was the best example of “business, labor and the government all working together. Rather than polarizing and taking polarizing positions, we came to the table collectively.”

King, the son of an industrial relations manager at Ford, epitomizes the transformation of the UAW into a direct adjunct of corporate management and the government. Dedicated to the “long-term success” of the companies, King & Co. have collaborated in the destruction of 150,000 jobs over the last five years alone and the wiping out of gains won through the struggles of generations of auto workers.

In order to protect their bloated salaries and expense accounts, the UAW executives have offered their services as a purveyor of cheap labor. In his comments during the PBS interview, King praised the auto companies for shifting some production from Mexico, China and other low-wage countries back to the US. “If it wasn’t for the UAW, a lot of these investments would have been all over the world and not in the United States of America.”

The 20,000 new jobs supposedly promised over the next four years will all pay the second-tier wages agreed to by the UAW. In the meantime, the low-paid workers will provide the UAW with an additional $10 million in union dues each year.

The UAW had to resort to particularly underhanded and antidemocratic methods to push the current contracts through over widespread opposition among workers.

UAW executives denounced early “no” votes as

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irrational and emotional responses and told workers they could not get anything better in the present economic climate. After several Ford locals voted it down, UAW officials said a rejection would result in a strike, and Ford would replace the workers with strikebreakers.

At Chrysler and GM, the UAW used the no-strike pledge it had agreed to with the companies and the Obama administration in 2009 to threaten workers that if they voted against the contract, an even worse agreement would be imposed by an arbitrator.

When such methods of intimidation failed, the UAW resorted to dubious vote tallies and simply running roughshod over the will of workers. This culminated in the decision by the UAW International Executive Board to ignore the "no" vote of skilled workers at Chrysler and push through the contract.

This latest experience, coming on top of some three decades of such betrayals, demonstrates the impossibility of workers defending themselves through the UAW. It is a further refutation of all those phony dissidents and pseudo-lefts, from Autoworker Caravan to Soldiers of Solidarity and Labor Notes, who claim that the UAW can be reformed and made to fight for workers' interests. The UAW can no more be reformed than the fascist labor syndicates set up by Mussolini or Hitler could in the 1920s and 1930s.

This is not simply a matter of the personal corruption of the American labor bureaucracy. In every country, the trade unions are supporting austerity and attacks on the working class. This is the outcome of the pro-capitalist and nationalist orientation of the trade unions, which seek to attract investment by collaborating with the employers and big business governments by underbidding labor costs in other countries.

The Socialist Equality Party is spearheading the fight for the independent industrial and political organization of the working class. We call on auto workers to break with the UAW and set up rank-and-file committees to fight for a secure and good paying job for all workers. The "Buy American" nationalism of the UAW must be rejected and a struggle conducted to unify workers across all national boundaries to oppose the race to the bottom in wages and benefits.

The actions of the UAW are bound up with their absolute defense of the profit principle. The basic needs and rights of the working class are, however, incompatible with a social system dedicated to the profit and wealth of a tiny corporate and financial elite.

The defense of the interests of auto workers, as with the interests of the working class as a whole, is bound up with a political fight by the working class to break with the Democratic and Republican Parties, to fight for a workers' government and the socialist transformation of economic life. This includes nationalizing the banks and basic industries such as auto under the democratic control and public ownership of the working class.

The votes at the Big Three take place against a backdrop of growing working class opposition in the US and internationally. The anti-Wall Street protests, the general strike by Greek workers, and the increasingly militant struggles of auto workers, from China and India to France and Australia—all are initial signs of a period of social upheaval.

The success of these struggles depends upon the building of a new political leadership in the working class. We urge auto workers, and all workers throughout the US and internationally, to study the program of the Socialist Equality Party and take up the fight for socialism.

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