

Auto workers and the 2012 elections

Statement by Jerry White, SEP candidate for US president

25 October 2012

With less than two weeks to go before Election Day, voters in the United States are being given the “choice” of two candidates—Obama and Romney—who are equally hostile to the interests of working people. The entire election campaign—with its billions of dollars in corporate cash, stage-managed debates and hollow rhetoric—has been aimed at concealing the anti-working class agenda that will be pursued, regardless of who wins.

After the election, new wars and occupations will be launched overseas, and at home the war against the jobs, living standards and working conditions of American workers will be intensified.

Auto workers around the world—from China, to India, to Europe and the US—are being thrown into a struggle against the global auto giants and must unite their struggles internationally. This is underscored by the announcement by Ford that it plans to shut down its Belgian plant—wiping out 4,600 jobs. According to industry analysts, this is only the first in a wave of auto factory closings in Europe that could wipe out 20 assembly plants and 115,000 jobs.

But the United Auto Workers (UAW) and its counterparts internationally oppose any independent and united struggle of auto workers. In the US, UAW President Bob King declares that the differences between Obama and Romney could not be clearer. While Romney is against American workers and for the wealthy, King claims, Obama is a champion of “working families and the middle class.”

In fact, the president’s record shows he is just as much a tool of Wall Street and the corporate bosses as Romney. Rather than jailing the financial swindlers responsible for the worst economic crisis since the Great Depression, Obama expanded the multi-trillion-dollar bailout begun under Bush. As a result, the stock market doubled, corporate profits set new records, and

the richest five percent made more money than ever.

Obama has rejected any measures to provide relief to the victims of mass unemployment, home foreclosures and worsening poverty. On the contrary, the Democrats and Republicans have already agreed to slash Medicare, Medicaid, Social Security and other vital programs after the elections, no matter who controls the White House and Congress.

The UAW points to the auto bailout as proof that Obama “stands behind workers.” But the president’s intervention in the auto industry was not aimed at protecting workers. Its purpose was to boost the profits of the same financial sharks who wrecked the economy.

The president exploited the meltdown of the auto industry—triggered by the banking crisis—to impose long sought-after attacks on auto workers, once the highest paid industrial workers in America. For years, Wall Street had complained about low returns caused by high wages and “Cadillac” benefits, along with “outmoded” job and workplace protections.

The White House handed over the restructuring of the auto industry to Wall Street, appointing Steven Rattner as its “car czar.” Formerly with Lehman Brothers and Morgan Stanley and the CEO of the asset-stripping firm Quadrangle, Rattner would later be implicated in an illegal kickback scheme involving the New York State Pension Fund.

After rejecting the cost-cutting plans of GM and Chrysler as too little, too late, Obama’s Auto Task Force began a “managed bankruptcy” of the two companies—shutting down dozens of plants deemed unprofitable and eliminating 35,000 jobs. The president worked with the UAW to slash the wages of new-hires in half, ban strikes for six years, and impose other devastating concessions on current and retired workers.

Any differences between Obama and Romney are purely tactical. Rather than using the bankruptcy courts

to tear up union agreements and impose wage and benefit cuts unilaterally—a course Romney says he would have taken—Obama preferred to use the willing services of the UAW to suppress opposition to the dictates of Wall Street.

In exchange for destroying the hard-won gains of generations of auto workers, the UAW was handed control of the multi-billion-dollar VEBA retiree health care trust fund, including billions of dollars worth of stock in GM, Chrysler and Ford. The Obama administration realized that this would give the UAW executives a direct financial incentive to further slash the wages, benefits and health benefits of their members.

This is precisely what happened in the last round of contracts in 2011, when the UAW agreed to the lowest increase in labor costs in history. Wages have been cut so low in America, the UAW boasts, GM and other companies are relocating production from Mexico and China to the US, a strategy the Obama administration approvingly calls “in-sourcing.”

The UAW’s support for Obama has nothing to do with defending the interests of the working class. For workers, it does not matter which big business politician takes over the White House. For the UAW apparatus, however, having Obama there to continue using the union as a cheap-labor contractor is critical for the income and business opportunities of King & Co. The UAW executives do not care whether they are collecting union dues from workers making \$15 or even \$5 an hour.

The struggle to defend the jobs and living standards of auto workers requires an entirely new strategy. The prerequisite for any fight is a break with the UAW and the building of new organizations, controlled by rank-and-file workers and completely independent of the UAW and the Democratic Party. The aim of such organizations must be the unconditional defense of the jobs and living conditions of all workers, not the profits of the corporations and the banks. Workers cannot accept an ultimatum of either having no job or a job at poverty wages.

The experiences of workers in the US and internationally show the dead-end of so-called labor organizations based on the defense of capitalism and economic nationalism. Far from the economy improving, there are new signs of a global depression.

The capitalist system has failed.

The alternative to capitalism is the struggle for socialism, including the nationalization of the auto industry and the banks under the democratic control of the working class. Only in this way can the massive productive forces of society be organized on a rational basis to meet human need, not private profit.

As the Socialist Equality Party’s candidate for US president, I call on all auto workers to support our campaign, and to build the revolutionary leadership necessary to guide the coming struggles of the working class.



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