

Volkswagen opens backdoor entry for UAW at Tennessee plant

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On Wednesday, German carmaker Volkswagen announced a new plan that will likely allow the United Auto Workers (UAW) to gain official recognition at its Chattanooga, Tennessee plant, less than a year after the union was defeated in a rank-and-file vote.

The proposal, dubbed the Volkswagen Community Organization Engagement, would authorize the UAW if it can demonstrate to an auditor that it has enrolled just 15 percent of the workforce. UAW officials would then gain access to a meeting space inside the factory where they could hold regular meetings with corporate executives. If the UAW is able to reach enrollment thresholds of 30 percent or 45 percent it would receive additional perks, including more meetings with corporate officials.

However, to become the sole collective bargaining agent for the Chattanooga plant the UAW must demonstrate to the National Labor Relations Board (NLRB) that it represents more than 50 percent of workers—a hurdle it has been unable to clear at any Asian or European-owned “transplant” in the US southern states.

After its defeat last February, the UAW opted not to hold a second election. It will instead attempt to persuade an auditor hired by Volkswagen—which has actively backed UAW efforts to enter the plant—that a majority of workers have joined its Local 42. If this happens, the UAW could be installed as sole bargaining agent without even the pretense of a recognition election.

The UAW has benefitted from the intervention of the German union IG Metall, whose officials, for their own purposes, seek to impose the corporatist “works council” system on all Volkswagen workers around the world. The German-style works council ostensibly represents both management and workers. For this

reason, they are held by US labor law to be company unions and illegal under rules that date back to the Great Depression. Volkswagen believes that if the UAW gains recognition from the NLRB, the works council can be legally implemented.

In September, IG Metall and Volkswagen's Global Group Works Council concluded a deal whose ultimate aim, the pact stated, is to bestow on the UAW “exclusive majority status and recognition of this by Volkswagen.”

The usefulness to Volkswagen of the council system was starkly revealed only last month, when Bernd Osterloh, an IG Metall union official and head of VW's Global Group Works Council, submitted a 400-page cost-cutting plan to the corporation. “We have to ensure reasonable returns for the cars,” Osterloh said. “To do so, factory costs have to decrease.” He claims his plan will generate €5 billion in profits (see: German union proposes cost-cutting plan to boost VW profits).

The UAW is auditioning for a similar role. An agreement reached with VW in the spring, in the wake of its defeat by rank-and-file workers, prepared the way for Volkswagen's announcement, according to a letter from Local 42 officials obtained by the Associated Press. In exchange for its recognition, the UAW pledged to “cooperate with efforts to win production of a new SUV in Chattanooga”—in other words, to assist with corporate efforts to make Tennessee workers produce more at lower cost, pitting them in competition with VW workers in Mexico, Germany, and elsewhere. Volkswagen has already launched a \$600 million expansion of the Chattanooga plant to produce the SUV Touareg.

Volkswagen all but campaigned for the UAW in last year's drive for NLRB recognition, including opening its plant to union officials. In February, the UAW was

nonetheless voted out by rank-and-file workers by a margin of 712-626. The defeat was called “stunning” and “shattering” for the UAW, which had staked considerable resources and what little remained of its organizational credibility on victory. “If they can’t win this one, what can they win?” asked one observer.

The UAW blamed the defeat on the intervention of right-wing Republican politicians in the election, and filed with the NLRB to reverse the results. The move, largely a publicity stunt, was dropped in April. For their part, various pseudo-left groups blamed the Chattanooga workers, denouncing them for their alleged “southern backwardness.”

None of them dared ask how workers could possibly have confidence in a “union” promoted by the bosses. In fact, many Chattanooga workers, including those who migrated to Tennessee after experiencing UAW “representation” first hand in Michigan, Ohio and Indiana, were well aware of the anti-working class character of the UAW. This includes imposing starting wages in Midwest factories lower than those in the southern transplants—the key component of the Obama administration’s 2009 bailout of General Motors and Chrysler.

In the campaign for NLRB recognition, it came to light that UAW officials had signed a “neutrality agreement” with Volkswagen in which the union gave its pledge to join in “maintaining and where possible enhancing the cost advantages and other competitive advantages [Volkswagen] enjoys relative to its competitors in the United States and North America.”

The UAW, predictably, has expressed gratitude for Volkswagen’s latest efforts on its behalf, while the media called the announcement a victory that gives “the beleaguered union a key achievement in the South,” and “a major accomplishment.”

Yet even with the renewed help of Volkswagen, victory for the UAW is uncertain. It will likely face a challenge from an in-plant organization calling itself the American Council of Employees (ACE).

ACE claims to have “no political agenda,” but some of its stated aims are similar to the UAW’s. On its web site are nine bullet points outlining a vague agenda that includes “increased productivity” and pledges that it too can work “directly with VW Global Works Council.” There is little else. ACE evidently bases the rest of its appeal on the fact that it is not the UAW.

Reacting to Volkswagen’s announcement that recognition can be achieved with 15 percent enrollment, ACE acting president, Sean Moss, asked the corporation for a “level playing field” allowing workers “a fair opportunity to decide.” This is unlikely. Every indication is that Volkswagen will continue to back its preferred company union, the UAW.

Nonetheless, the UAW’s statement on VW’s new policy betrayed a degree of nervousness. It took pains to remind the Germany-based firm “of the mutually agreed-upon commitments that were made by Volkswagen,” and the union’s backing from “the influential Volkswagen Global Group Works Council [which] expressed its desire for the Chattanooga plant to be a ‘UAW-represented facility.’”

As if from the desk of a low-tier corporate executive, the letter from UAW Local 42 reminded Volkswagen of its own labor-management policies. “A cornerstone of Volkswagen’s business model is employee representation and participation in the Global Group Works Council. Until now, Chattanooga has been the only plant not represented on the Global Group Works Council.”

The fact that Volkswagen is moving to impose the UAW in the plant proves once again that the UAW is not a workers’ organization but an instrument of corporate management. The fight by auto workers to defend their jobs and living standards requires the building of new organizations, controlled democratically by rank and file workers and based on a new political strategy that rejects the two parties of big business and the subordination of the working class to American and global capitalism.

See Also: The UAW debacle in Tennessee



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