

At bargaining convention in Detroit

## UAW president insists auto workers must “face the facts” of global competition

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The two-day Special Bargaining Convention of the United Auto Workers (UAW) in Detroit concluded Wednesday with the UAW outlining no specific demands for the auto companies in upcoming talks for new contracts covering 139,000 General Motors, Ford and Chrysler workers.

In an earlier period, at least until the late 1970s, rank-and-file workers would closely follow and even participate in such conventions. The majority of the workers in the factories today took no notice of the event, and few look to the UAW, after decades of betrayed struggles, to improve their lives.

The event was a charade organized by and for the trade union apparatus. This included the ritual of a “discussion” on bargaining goals that did not evoke any serious opposition from the 900 vetted delegates.

The whole operation was carefully vetted. While granting the *Wall Street Journal*, *New York Times*, *Detroit Free Press*, *Detroit News* and other corporate-controlled news outlets access to a post-convention press conference with UAW President Dennis Williams, the *World Socialist Web Site* was barred. Claiming the WSWS had not been “accredited”—even though a request had been submitted on time—UAW Communications Director Sandra Davis and several sergeants-at-arms ordered this reporter out of the conference room.

As for ordinary workers, their presence was expressed only in the worried comments from officials about a potential rebellion by workers against the UAW itself. In their public statements and in comments made by delegates to this reporter, one repeatedly heard how “tough” the negotiations this year were. By this they meant difficulty not with the companies, but with

restive workers who want to recoup their losses from UAW-backed concessions under conditions in which the auto companies are making record profits.

UAW officials mouthed empty rhetoric about “bridging the gap” between tier-one and tier-two workers and “fighting to rebuild the middle class” after decades of rising CEO pay and inequality. “I truly believe that our companies know that we can be both creative and thoughtful,” Williams declared in the main address. “But make no doubt about it, they also know that as we share in the bad times, we must equally share in the good times.”

Such statements are entirely for show, however. Behind the scenes, the UAW has already assured the auto executives that it will do nothing to adversely affect the competitiveness and profitability of the US-based automakers.

“We face many challenges this year, and there is a lot at stake,” Williams said of the many contracts the UAW and other companies face this year. However, he said, “There is a global economy, and competitors that have advantages economically and governments that manipulate currencies and put up barriers to imports.”

The companies could not make “bad decisions,” he said, referring obliquely to the cover-up of deadly defects that undermined GM profits. “Nor can we not face the facts or the realities,” he declared, making it clear that he expected the delegates to push back against any demands that would make the companies “uncompetitive.”

After collaborating for decades in the destruction of jobs and the decimation of industrial centers, the slashing of wages is now at the center of the UAW’s “growth strategy.” In his report to the convention, Vice

President Jimmy Settles, who is in charge of negotiations with Ford, boasted that the UAW had made the automaker's US plants so competitive that it relocated production from low wage countries back to the US, adding 3,000 more dues-paying members.

The collaboration of the UAW and the intervention of the Obama administration had made Fiat-Chrysler Automotive (FCA) the fastest growing car company in the United States, Vice President Norman Jewell boasted. He neglected, however, to mention the new report from the Center for Automotive Research that showed how the unlimited expansion of tier-two workers sanctioned by the UAW had allowed FCA to undercut the labor costs of GM and Ford by \$10 an hour.

This has prompted the two automakers to ask the UAW to set up a new, third-tier of "low-skill" workers who would earn even less than current tier-two workers. While Williams demagogically declared that "there are already too many damned tiers" in his speech, he did not rule out the new lower wage category. In fact, a new tier of lower paid workers was at the center of a UAW deal at Lear's Hammond, Indiana plant last year.

The UAW has already accepted the abolition of overtime pay after eight hours, poverty level wages for new hires and an end to cost of living adjustments and annual wage increases for "legacy" workers. As a reward, the corporations and the Obama administration handed the UAW billions in corporate shares and cash payments to its myriad joint training, safety, real estate and investment schemes.

In his address, Williams praised Obama for "saving" the auto industry in 2009 and, in contrast to the Republicans, appreciating the value of unions and "collective bargaining." Indeed, the Democrats recognize the value of these corporatist organizations for the suppression of the class struggle. The concessions imposed by the UAW spearheaded the transformation of the US into a cheap labor haven, leading the developed world in the percentage of low-paying jobs.

Williams reiterated the UAW's undying support for capitalism, while warning of the dangers of social inequality and the collapsing influence of the trade unions. "A free market society must have working men and women with disposable incomes, who have real

purchasing power to consume goods; that's not a myth, that's a fact...A society built on low wage jobs does not deliver purchasing power."

Williams' picture of capitalism has no relation to modern reality. Instead he is harkening back to a bygone era before the decay of American capitalism and the loss of its world dominance. Over the last four decades, financial parasitism, not the manufacture of goods, has become the dominant mode of wealth accumulation for the ruling class. To augment these riches, the financial aristocracy is setting out to destroy every gain won by the working class—decent wages, health care, pensions, public education and other social rights—and expand its exploitation of workers around the world.

The working class must respond no less ruthlessly. For that, the UAW and other pro-capitalist and nationalist unions are worse than useless: they are the greatest impediments.



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