

As the Big Three contracts expire

The way forward for US autoworkers

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14 September 2015

With the contracts expiring for 141,000 workers at General Motors, Ford and Fiat Chrysler, US autoworkers face a decisive battle whose outcome is critical for the whole working class.

Autoworkers were the first to face corporate-government wage-cutting after the 2008 financial crash. Having handed hundreds of billions of dollars to the Wall Street banks, President Obama's next step was to restructure the auto industry on the backs of the workers, establishing a precedent for cutting wages, health care and pensions throughout the economy. The so-called economic "recovery" has meant record profits for the auto companies and financial speculators, but only greater hardship for the working class.

While billions have been slashed from education, Medicare, housing and other social services to pay for the government bailout of the banks, and workers' pensions have come under relentless attack, the auto bosses, awash in huge profits and bonuses, declare they will never go back to the days of "uncompetitive contracts."

It is time for autoworkers to initiate a counter-offensive of the entire working class to guarantee good-paying and secure jobs, full employer-paid health care and pensions, and shorter work hours with no loss of pay.

The determination of autoworkers to fight is demonstrated by the 98 percent vote for strike authorization. This sentiment is shared by tens of millions of workers—in the steel, farm equipment, airline and telecom industries and among teachers, postal employees and other public service workers.

The biggest obstacle to unifying the working class is the United Auto Workers and the other unions. The UAW is not negotiating for autoworkers in this contract. On the contrary, UAW President Dennis Williams and vice presidents Cindy Estrada, Norwood Jewell and James Settles, along with the army of International, regional and local officials, are company agents. The top union executives receive hundreds of thousands of dollars, padding the salaries and expense accounts derived from dues and cash diverted from the strike

fund with compensation from their positions on corporate boards, joint labor-management operations and the UAW's retiree health care trust.

The UAW has kept the rank-and-file in the dark about its talks with the auto companies, insisting that the workers have no right to know what is being plotted against them. However, media reports make clear that the union is discussing the establishment of a new, third tier of lower-paid employees—so-called subassembly workers. These workers would make even less than the poverty wages of current second-tier workers.

The UAW is also pushing for a "super-VEBA" to end company-paid health benefits for active and salaried workers as well as hourly retirees and expand the UAW's multi-billion-dollar health insurance business. This would eradicate a basic gain won by autoworkers in the 1940s and set a precedent for dismantling employer-paid health benefits throughout the economy. The UAW officials would have a direct financial incentive to slash the benefits of union members as well as white-collar employees.

To prevent yet another contract betrayal and reverse the disastrous concessions on wages, benefits and working conditions, the Socialist Equality Party calls on autoworkers to form new fighting organizations—democratically elected rank-and-file committees that are completely independent of the UAW.

Workers must be forewarned about the tricks and maneuvers the UAW may employ:

Warning #1: Do not believe a word the UAW says.

The UAW is a business whose executives have a direct financial interest in reducing the wages of workers, cutting their health benefits and imposing speedup. It works systematically to divide autoworkers in order to sabotage resistance to the joint policies of the union and the companies. If an attorney concealed the fact that he was being paid by the other side, he would be fired and disbarred. The same principle should apply to the UAW.

Warning #2: The UAW is preparing to wear workers down by extending the contract.

The union has no intention of calling an effective strike against its paymasters and permitting a significant depletion of its misnamed “strike fund.” Instead, the UAW will work with the companies to weaken the workers, offering “signing bonus” bribes and using the threat of layoffs and plant closures to push through another pro-company deal. Any “job security” provisions that are reached won’t be worth the paper they are written on, as seen by the nearly one million jobs lost in the industry since 1979.

Warning #3: The UAW could decide to call a token one- or two-day strike to let off steam.

In 2007, the union called such “Hollywood strikes” at GM and Chrysler while concluding the “transformational” contract that established the hated two-tier wage system and expanded the VEBA.

Warning #4: The UAW intends to hide the details of any agreement it reaches.

Workers will be shown only the so-called “highlights” of any contract, not the full agreement or the countless memos of understanding and codicils attached to it. No one in his right mind would buy a car based on the dealer’s “highlights.”

Warning #5: The UAW may fob off a token wage increase, profit-sharing deal or bonus in the name of “closing the gap” created by the two-tier system.

Whatever insulting increase it may offer will be negated by new out-of-pocket health expenses, and the companies will more than recoup the added wage costs by being allowed to hire a third tier of super-exploited “sub-assembly” workers.

Rank-and-file workers should demand full disclosure of the content of the talks and copies of the entire contract to study and discuss prior to a ratification vote. All workers, including laid-off workers, retirees and those who have quit paying dues to the UAW, must have the right to vote on any contract, which will be binding on all workers.

The corporations and banks, and their servants in the Democratic and Republican parties and the unions, insist there are no conditions in which workers will see an improvement in their living standards. The “new normal” is poverty-level wages, slave-labor conditions in the factories and an early death for workers.

There is a growing sense—not just among autoworkers, but among workers in every industry and in every country—that things cannot continue as they are. Just as autoworkers led the way for all workers in the depths of the Depression, they must do so again today in the midst of another breakdown of the capitalist system. Workers, young people, retirees and unemployed people in the US and around the world are looking for a way to fight back against social inequality, government attacks on democratic rights,

and war.

To unite the working class, a new political strategy is needed. The Socialist Equality Party calls on autoworkers to reject the UAW’s policy of economic nationalism, which allows the transnational corporations to pit autoworkers in the US, Mexico, Canada, Europe, Japan, China and other countries against each other in a fratricidal struggle to see who will work for the lowest wages and worst conditions. These global corporations can be fought only if US workers coordinate their struggle with their class brothers and sisters around the world.

The rank-and-file committees must reach out to broader sections of the working class in the US to develop the widest possible support. A powerful industrial and political movement of the working class must be launched to break the dictatorial grip of the banks and corporations, which are sucking up virtually all of the wealth created by the working class.

All of the political parties and institutions of big business, from the Democrats and Republicans to the courts and the police, function as tools of the rich. That is why workers must build an independent political movement, uniting every section of the working class behind a program to seize the ill-gotten gains of the billionaires; establish public ownership and democratic, working class control over the banks, major corporations and natural resources; and reorganize the economy in the US and internationally to guarantee the social rights of workers—for secure and good-paying jobs, health care, education, housing, leisure time, a comfortable retirement and a future for the next generation free from poverty and war.

We urge all autoworkers interested in the fight to build rank-and-file committees to contact the *World Socialist Web Site Autoworker Newsletter* and the Socialist Equality Party.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact