

# Walter Reuther and the rise and fall of the UAW

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The United Auto Workers union, in its drive to break rank-and-file opposition and impose contracts dictated by the auto companies, has exposed itself as an agency of the corporations and the state. Autoworkers have come face-to-face with the fact that they have no organized means to oppose the demands of Wall Street.

Under these conditions, it is not surprising that there exists a certain nostalgia for an earlier time when the UAW was associated with improvements in wages and conditions. This is often linked to the name Walter Reuther, UAW president from 1946 until his death in a 1970 plane crash.

Various forces have cultivated the Reuther legend, from the top UAW bureaucrats to the supposed “dissidents” within the union apparatus, from the liberal media and academics to the American pseudo-left represented by groups such as the International Socialist Organization and Socialist Alternative. The myth is summed up in a biographical sketch of Reuther on the AFL-CIO web site:

“Reuther was widely admired as the model of a reform-minded, liberal, responsible trade unionist—the leading labor intellectual of his age, a champion of industrial democracy and civil rights who used the collective bargaining process and labor’s political influence to advance the cause of social justice for all Americans.”

Behind the official presentation of Reuther’s career are definite political conceptions. If this assessment were true, it would follow that the decline of the UAW and the rest of the official labor movement was either the inevitable result of factors entirely beyond the control of the union leadership and had nothing to do with questions of program and policy, or that this decline might be reversed and things made better for workers if only farsighted bureaucrats like Walter Reuther could be found once again.

In reality, the UAW’s transformation into a corporatist adjunct of big business and the state, and its role as an industrial police force deployed against the workers it nominally represents, is not the negation, but rather the outcome of Reutherism. The longtime UAW president stood for class compromise and acceptance of the capitalists’ “right” to a profit, together with political support for the Democratic Party, unequivocal defense of US imperialism and anti-communism.

Reuther was born in 1907 in the steel and tobacco mill town of Wheeling, West Virginia, the son of a socialist immigrant from Germany. His father, Valentine, ran for office as a Socialist Party candidate in West Virginia and idolized Eugene Debs, the socialist and trade union leader who was twice imprisoned—once for his leadership of the Pullman Strike of railway workers in 1894, and again for his Canton, Ohio speech in 1918 opposing US participation in World War I.

For this second conviction, Debs was jailed at the federal penitentiary in Moundsville, West Virginia, just outside of Wheeling. There, Valentine Reuther took his boys—Walter, 11, and Victor, 6—to greet the elderly inmate “so that his son could see this great labor leader, Eugene Debs, in person and be inspired by him to follow in the same path of devotion to

working class principle,” in the words of one biographer.

Walter Reuther left high school at the age of 16, taking work in Wheeling’s toolmaking industry. He was soon blacklisted, likely for union agitation, and in 1926 left West Virginia and moved to Detroit, joining a migration of hundreds of thousands of workers—white, black and immigrant—drawn by the auto factories’ seemingly limitless need for labor.

The stock market crash of 1929 brought this growth to an abrupt end. By the low point of the Great Depression, in 1933, 250,000 Detroit workers had lost their jobs, among them, Walter Reuther. In these same years, Reuther returned to socialist politics, joining the League for Industrial Democracy at what was later to become Wayne State University, where he and Victor took classes, and, in 1932, the Socialist Party. In 1933, Walter and Victor traveled to the Soviet Union, where they worked for nearly two years in a plant constructed by Ford. Reuther was a model worker in the Soviet Union. Decorated with medals and bonuses, he also contributed articles to Moscow newspapers.

Later, Reuther attempted to downplay this period of his life. But in Detroit in the 1930s, it was not uncommon for young workers like the Reuther brothers to move in the orbit of groups calling themselves socialist or communist. The attraction to socialism was based to a large extent on the influence of the Russian Revolution and the patent failure of the class-collaborationist “business unionism” of the old American Federation of Labor (AFL), which refused to organize industrial workers—the “riff-raff” and “rubbish” of American society, in the words of AFL Teamsters President Dan Tobin. The humiliation of the industrial worker was compounded by the social misery of the Great Depression.

Above all else, the AFL of Samuel Gompers and his successor as federation president, William Green, sought to keep workers away from socialism, which Gompers thought would “mislead the wage-earners and delude them with vain hope” of a better society. “The labor movement, to succeed politically, must work for present and tangible results,” Gompers said in summing up the philosophy of the AFL. Among the “vain hopes” not viewed as “tangible” was organizing the industrial workers.

In 1934, the industrial workers shattered the myth of their helplessness. That year, three great citywide strikes—among truck drivers in Minneapolis, longshoremen in San Francisco and autoworkers in Toledo—electrified the working class. Each strike included socialists in the leadership, and, in the case of Minneapolis, the struggle was led by Trotskyists. The Toledo strike secured the first significant contract in the history of the auto industry. It was guided by members of the American Workers Party, which merged a few months after the strike with the Trotskyists of the Communist League of America to form the Workers Party.

The bureaucrats who presided over the already existing industrial unions—including John L. Lewis of the United Mine Workers (UMW), Sidney Hillman of the Amalgamated Clothing Workers, and David Dubinsky of the International Ladies’ Garment Workers—recognized that

the revolt of workers in basic industry would continue with or without the sanction of the AFL. They formed the Committee for Industrial Organization as a body within the AFL in late 1935 as a means of corralling the upsurge. But such was the AFL's opposition to organizing industrial workers that it condemned the CIO as "dual unionist" and expelled it from the House of Labor in September, 1936. The nascent UAW, with only a few thousand dues-paying members, followed the CIO out of the AFL.

Meanwhile, the signs of a coming eruption in the auto plants mounted. In April 1935, Chevrolet transmission workers in Toledo walked out. The strike shut down production across the region and was soon followed by sympathy strikes at other Chevrolet plants involving some 35,000 workers. In the winter of 1935-1936, strikes—including "sit-down" factory occupations—swept through the tire industry in Akron, Ohio.

At the second convention of the UAW, held in the spring of 1936 in South Bend, Indiana, delegates unanimously voted for the formation of a labor party and voted down a resolution to bar communists from the organization. A second resolution, refusing to endorse the Roosevelt administration, was reversed only at the last minute after John L. Lewis' lieutenant at the convention, Adolph Germer, assigned by the CIO to "keep the situation in hand," threatened to cut off all funding to the UAW.

In the words of historian Art Preis, "[Y]oung militants of all radical tendencies, especially the Socialist Party (whose left wing then included the Trotskyists) and the Communist Party, played a most active and influential role at the convention." Among the radical delegates was Walter Reuther, who at first had been refused admittance because, as a blacklisted worker, he was hired under a false name into his west Detroit General Motors plant. Entering the South Bend convention an unknown, Reuther left it having won election to the UAW Executive Council.

There were just a few delegates from the Flint area and they represented only 500 or so workers. But months later, it was in Flint, home to the world's largest corporation, General Motors, that the industrial workers took their next great step forward with the sit-down factory occupations of 1936-1937. The strike, one of the most important in American history, began spontaneously but soon found itself under the leadership of UAW radicals.

Among the principal organizers were Kermit and Genora Johnson. Part of the left wing of the Socialist Party, they soon joined the Trotskyist movement. Genora Johnson played the leading role in organizing the Flint Women's Auxiliary, a development inspired by the 1934 Minneapolis Teamsters strike, to support the 44-day occupation. Another key organizer was Roy Reuther, Walter's youngest brother and also a member of the Socialist Party. Walter Reuther contributed to the victory by helping to bring 500 workers to Flint—one of many workers' caravans that came when Michigan Governor Frank Murphy, a Democrat and New Dealer, appeared ready to send in the state militia to evict the workers. The strike forced GM, the largest corporation in the world, to recognize the UAW as the bargaining agent of its workers.

After Flint, factory occupations swept the country, including at Chrysler in Detroit. A strike wave brought nearly 2 million workers off the job in 1937. From September 1936 through June 1937, over 484,000 American workers participated in factory or workplace occupations. Of these, virtually all were in nonunionized industries or industries where unions had just emerged.

The UAW grew from 30,000 members before Flint to roughly 500,000 within one year. Reuther's own Detroit West Side Local 174 grew from 100 to 30,000 members. The unions comprising the CIO (now renamed the Congress of Industrial Organizations) quickly reached a membership of 3.7 million, more than half of the 6.3 million organized American workers.

These numbers underscore a critical point: the militant upsurge of the working class was not only outside of the AFL, but in opposition to it. The

old union could not be reformed. It had to be driven out. AFL head William Green's attempt to co-opt the UAW resulted in his handpicked UAW president, Francis Dillon, being drummed out a year before Flint. Later, when UAW President Homer Martin tried to steer the UAW back into the AFL, he too was cast aside.

The hostility was mutual. Green denounced the factory occupations as having "grave implications detrimental to labor's interests." The sit-downs challenged the class collaborationist outlook of the AFL by posing the question: Who would rule industry, the workers or the capitalists?

The CIO fought for industrial organization, but its top officials also feared the rebellion. Like the AFL leaders, they could not simply install a favored bureaucrat in the presidency of the new union, as Lewis had done when he put his UMW lieutenant Phillip Murray in charge of the Steel Workers Organizing Committee in 1936. At that point, there was too much democracy within the UAW for such a heavy-handed maneuver.

Lewis and Hillman had to find an ally in the UAW with a reputation as a militant and therefore a real base of support among the rank-and-file, who was nevertheless amenable to the overarching aim of the CIO: to subordinate the revolt of the industrial workers to Franklin Roosevelt and the Democratic Party. Reuther's audition came in 1938, when Lewis and Hillman "insisted he resign from the Socialist Party," in the words of historian Sidney Fine, and endorse Roosevelt ally Frank Murphy in his bid for re-election as governor of Michigan. Reuther obliged, but he presented his embrace of the Democratic Party in 1938, as he would in every subsequent election, as a practical and "realistic" expedient beneficial to the workers. He did not openly reject the formation of an independent labor party until the early 1950s.

Reuther's elevation to the inner circle of the CIO coincided with the end of its great organizational gains. In 1937, with tacit support from Roosevelt, the corporations launched an anti-union counteroffensive in the midst of the "Roosevelt Recession" of 1937-1938—a recession within the Great Depression that saw unemployment rise to 19 percent and manufacturing output fall by 37 percent, back down to 1934 levels.

The CIO's subordination to the Democratic Party had already led the industrial workers to an impasse. During its failed attempt to organize "Little Steel"—US Steel's lesser competitors—at least 15 workers were murdered in cold blood in Chicago and Ohio in the spring and summer of 1937. Simultaneously, Henry Ford's spies and thugs managed to stop the UAW organizing drive at the nation's second largest automaker. Reuther augmented his reputation by taking a beating at the hands of Ford's goons in the "Battle of the Overpass," which occurred on May 26, 1937 at Ford's River Rouge plant, where he and other UAW organizers were attempting to distribute union literature. Yet the organizing drive stalled. The CIO as a whole added only 400,000 members in the next two years.

Leon Trotsky, analyzing the American developments from his final exile in Mexico City, warned as early as 1938 that the new unions had led themselves into a blind alley. He explained: "The working class stands before an alternative. Either the trade unions will be dissolved or they will join for political action."

In 1940, Trotsky noted that the seeds of the destruction of the industrial unions were present at the CIO's birth. He wrote: "[T]he new 'leftist' trade union organization was no sooner founded than it fell into the steel embrace of the imperialist state. The struggle among the tops between the old federation and the new is reducible in large measure to the struggle for the sympathy and support of Roosevelt and his cabinet."

There was a contradiction at the very birth of the industrial unions. Trotsky recognized in the emergence of the CIO "incontrovertible evidence of the revolutionary tendencies within the working masses." This was the basis of the CIO's success, such as it was. But in the absence of a political struggle on the basis of socialist policies, the industrial union movement would be captured by capitalist politics, defanged and ultimately defeated. The latter was the course taken by the UAW and the

CIO.

World War II reversed the CIO's fortunes, but only by drawing the UAW still further into "the steel embrace of the imperialist state." The CIO, like the AFL, imposed a no-strike pledge. In return, the Roosevelt administration created various tripartite commissions, inviting the bureaucrats into the antechambers of power, where they worked out agreements with corporate CEOs and state officials. The government moved to back the automatic dues checkoff system as a means of funding "responsible" trade union leaders. In this manner, organized labor grew rapidly.

When it came to pro-war patriotism and class collaboration, no union official was outdone by Reuther. "England's battles, it used to be said, were won on the playing fields of Eton," he said in 1940. "America's can be won on the assembly lines of Detroit"—but only if workers could be kept off the picket lines. Reuther championed an industry-wide no-strike rule that guaranteed auto corporations windfall profits—and workers wage increases that never, in the course of the war, matched inflation. And he joined an array of tripartite union-company-government boards, serving on the Office of Production Management, the War Production Board, the War Manpower Commission and the Joint Labor-Management Production Committee.

Working class hatred of Hitler and fascism allowed Reuther and the other union heads to hide the Roosevelt administration's real purpose in the war—to establish the supremacy of American capitalism over all rivals. But after the war, workers' pent-up grievances could no longer be held in check and the American working class erupted in the biggest strike wave in its history in 1945 and 1946.

Many of the walkouts were "wildcats" carried out in defiance of the union leaders and their allies in the Stalinist Communist Party USA, whose task it was, on orders from Moscow, to do nothing to jeopardize the modus vivendi worked out between Stalin and Roosevelt during the anti-Hitler alliance.

At that time, Reuther could, unlike union officials today, to some extent give vent to the class anger of autoworkers. Sensing the mood among the rank and file, he refashioned himself as a militant once more, taking leadership of the 113-day General Motors strike of 1945 and 1946, which secured a 30 percent pay increase, though he saw to it that Ford and Chrysler workers remained on the job.

Reuther cleverly appropriated demands put forward by the Trotskyists, including the call for an automatic cost of living adjustment, the "escalator clause," and the demand for the automakers to open their books, although he proposed that government inspectors examine the books rather than the UAW itself, as demanded by militant autoworkers.

In this way, Reuther outfoxed his remaining rivals for the leadership of the UAW, all of whom clung to the war-time no-strike pledge. He became president of the UAW in 1946, and by the end of 1947 had eliminated all serious contenders and positioned himself to become president of the CIO, an office he assumed after Philip Murray's death in 1952.

Like the rest of the CIO bureaucrats, Reuther publicly condemned the anti-working class Taft-Hartley Act of 1947, which was passed over Democratic President Harry Truman's veto by a coalition of Republicans and Southern Democrats. Truman tacitly supported Taft-Hartley, and once it was on the books, he invoked it more than any other US president in history.

Reuther called Truman "ineffective" and speculated that the CIO might finally move toward the formation of a labor party. Instead, he and the rest of the CIO redoubled their efforts to win influence within the Democratic Party, even scrapping the drive to organize workers in the South, Operation Dixie (1945-1953), for fear of upsetting the "New Deal coalition's" white supremacist southern wing. The South remained a bastion of low wages and the open (nonunion) shop, and, unsurprisingly, the first stop for US corporations as they shifted work away from the

heavily unionized North.

The CIO condemned Taft-Hartley as a "slave-labor bill," but Reuther embraced its attempt to make socialism illegal in the trade unions. The Labor Management Relations Act of 1947, as it is formally known, denied unions protection under existing labor law if any officer refused to sign an affidavit swearing that he or she was not a member of "any organization that believes in or teaches the overthrow of the United States Government." Reuther seized on this new lever to witch-hunt out of the union members of the Communist Party, who had lost much of their base of support among autoworkers due to their embrace of the no-strike pledge during the war. Also driven out or demonized were Trotskyists and other socialist-minded militants who had spearheaded the fight in Toledo and Flint.

Reuther's purge of socialists was more than a tactical maneuver to strengthen his control. The red scare that began in the trade unions was the domestic corollary of American imperialism's drive for world mastery, announced in the form of the "Truman Doctrine," which proclaimed unlimited support for "free peoples," i.e., US-aligned military dictatorships such as the royalist government in Greece and the Syngman Rhee regime in South Korea.

The CIO placed itself in the service of the US State Department and the CIA, taking on the task of providing American imperialism with a veneer of democratic legitimacy. Reuther was a founding member in 1947 of the liberal anti-communist Americans for Democratic Action. In 1949, he helped found the International Confederation of Free Trade Unions, which heralded the American trade unions' cooperation with the CIA in its bloody crimes across the Third World.

In 1955, Reuther led the CIO back into federation with the AFL, signaling an end to union drives among the unorganized and accelerating a decline in the share of unionized workers that has continued ever since.

Reuther went even further than the class collaboration imagined by Gompers. "Long before the Taft-Hartley Act required union leaders to sign non-communist affidavits, most communists had been displaced from positions of power," William H. Mierny wrote in his 1962 *Trade Unions in the Age of Affluence*. "Anti-union organizations continued to attack CIO leaders for their alleged radicalism, but the employers who dealt with them found them to be as pragmatic at the bargaining table as the leaders of the AFL. The new industrial unions were ... in many cases more productivity-conscious than the employers [and] had no wish to eliminate profits."

Walter Reuther's "Treaty of Detroit," the 1950 UAW contract with GM, summed up the outlook of Reuther and the UAW. GM agreed to increased wages and benefits. The UAW, now purged of the radicals and socialists who had spearheaded the struggles that established the union during the Great Depression, would not question corporate rule.

In subsequent contracts negotiated in the 1950s and 1960s, the UAW secured gains for workers, including cost of living adjustments (COLA), Supplemental Unemployment Benefits and Annual Improvement Factors. Protections that provided a degree of security but have long since been eroded or terminated, making them alien to the experience of today's workers, COLA assured that wages would keep pace with inflation, SUB pay added a cushion for temporary layoffs, and the AIF guaranteed wage hikes when productivity increased.

On a deeper level, the Treaty of Detroit was a major retreat by labor. "GM may have paid a billion for peace but it got a bargain," wrote *Fortune* magazine in 1950. "General Motors has regained control over ... crucial management functions."

It was the first UAW contract "that unmistakably accepts the existing distribution of income between wages and profits ... throwing overboard all theories of wages as determined by political power and of profits as 'surplus value.'" The deal marked, according to economic historian Robert Collins, "a reorientation away from labor's previous commitment

to economic planning, structural reform, and social solidarity, toward a new effort to create a private-sector welfare state through collective bargaining over wages, benefits, and pensions."

The gains the autoworkers won set a standard that other industries followed. On this basis, many workers in the US enjoyed improving living conditions from the late 1940s through the late 1960s, the period corresponding to Reuther's rule in the UAW.

Autoworkers who had gone through the trauma of the Great Depression—men and women who knew hunger and cold—could now purchase the cars they made and send their children to college. These objective conditions further weakened among workers the influence of socialism, which was falsely equated with the Stalinist regime in the Soviet Union, Mao's China or Castro's Cuba.

These gains must be put in perspective, however. In the US, industry contracts negotiated by the major unions, with their health care and pension benefits and unemployment insurance, were modest when compared to the government-run social safety nets that were set up in Western Europe, Japan, Canada and Australia, which included cradle-to-grave national health care systems.

Entire sections of the American working class were left out of the employer-provided health care and pension systems—in the inner cities, the Deep South, Appalachia and much of rural America—and there was no protection for the long-term unemployed, even in the highly organized industries such as auto. This would emerge as a major factor in the social devastation that engulfed the American "Rust Belt" with the wave of plant closings that swept the region in the 1970s and 1980s.

A recession in 1957 foreshadowed the problems to come. Auto purchases fell by over 30 percent and the unemployment rate increased by 20 percent from the previous year. Walter Reuther, tutored in the school of American liberalism, argued that the fundamental problem was "overcapacity" in production and "underconsumption" in the market. This assumption was based on the false premise that profit and the growth of capital are derived solely from sales, rather than from the extraction of surplus value from workers engaged in production. Reuther believed that the social contract—in which capitalists and workers would "share" the increases in productivity and profits—was a virtuous circle that could last forever.

Reuther was wrong on both counts, as the last several decades of wage-cutting and job losses have shown.

Under the conditions of the late 1940s and 1950s, in which the Big Three dominated the global market, and were able to take the US market for granted, workers did see improved pay and conditions, even if far greater fortunes went to the auto executives and big shareholders. In 1950, the US boasted nearly one-half of the world's GDP, produced 80 percent of the world's cars, and milled 40 percent of its steel.

But declining rates of profit in basic industry in the 1960s and 1970s, accelerated by the reemergence of Japanese and German competition, shattered the basis on which Reuther made his calculations. This was followed in the 1980s and 1990s by the globalization of economic production. The auto industry became a world industry not only because the big firms had plants in multiple countries—this had, in fact, existed since the 1920s—but because manufacture had become a globally organized operation and the cars themselves had become ensembles of commodities produced by workers the world over.

Transnational corporations such as GM and Ford could produce cars for any national market in plants located almost anywhere in the world. They no longer had to produce cars for the US market in the US. This made the labor market international and undercut the ability of the national-based unions to use strikes or the threat of strikes as leverage against the companies, since the auto giants could shift production for the US market to overseas facilities.

Meanwhile, Wall Street financiers shifted capital out of commodity

production and into parasitic financial speculation, while incessantly demanding that factories generate greater profits by increasing the exploitation of the workers. In justifying plant closures, wage cuts and speed-up, the automakers again and again pointed to the lack of profitability of American plants.

Reuther's heirs at the UAW, basing themselves on the perspective of Reuther and the official labor movement as a whole, had no answer. The power of the national unions had been based on their ability to get a "better deal" for workers by withholding labor in this or that national market. Globalization and financialization ended this.

The capitalists ripped to shreds Reuther's treaty, but the UAW did not, and could not, respond by reviving the methods of militant struggle that had built the union in the 1930s. Instead, Reuther's successors embraced a policy of national chauvinism and corporatism, a perspective objectively rooted in the entire nature and history of the organization.

The UAW's nationalism, following Reuther, promoted the conception that the enemies of the American autoworkers were not the American capitalists, but Japanese, Canadian, German and Mexican autoworkers. The union's embrace of corporatism, also predicted by Reuther's dedication to the capitalists' "right to a profit," promoted the conception that there existed a total identity of interests between labor and capital. This outlook—the same as that which guided the trade unions in Mussolini's fascist Italy—set the stage for the unlimited collaboration between union bureaucrats, corporate management and the capitalist state that continues to this day.

These developments have created a disaster for autoworkers. Beginning with the Chrysler bailout of 1979, the UAW launched an assault on its own membership in the name of upholding the "competitiveness" of the US automakers. It no longer pressured the Big Three for concessions to the workers; it now blackmailed the workers to give up concessions to the Big Three. Even so, the US auto industry has lost upwards of 1 million jobs since the 1970s, the decade after Reuther's death.

Indeed, the fact that he died in 1970 before the rug was pulled out from under his treaty with American capitalism is largely responsible for whatever reputation he retains as a militant and honest union leader. But it was Reuther's pro-capitalism and nationalism, already so evident in his wartime role and intensified in the anti-socialist purges, that set the union on a trajectory which could lead only to its transformation from a defensive organization of the working class into an adjunct of the corporations and the state. The corporatist elements that now dominate—defense of the profit system, nationalism, class collaboration, the political subordination of the working class to the ruling class and its parties—were already present during World War II and codified in the basic premises of the Treaty of Detroit.

There is a final question raised in a consideration of Walter Reuther's role in the history of the working class: Can a union remain a genuine workers' organization *outside* of a political program and strategy for power and socialism, based on an internationalist, rather than a national, perspective? The history of the UAW and the American labor movement proves that the answer is "no."



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