

As constitution convention opens, UAW promotes Trump's trade war and downplays corruption scandal

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Amidst a growing mood of militancy among autoworkers, the 37th quadrennial constitutional convention of the United Auto Workers opened in Detroit Monday. The four-day ritual brings together some 1,100 largely handpicked delegates to debate carefully vetted resolutions before voting to install the new international officers selected by the outgoing administration caucus headed by UAW President Dennis Williams.

The past several months has seen protests by autoworkers over sweetheart deals between the UAW and management in the face of an escalating assault on jobs and working conditions. This takes place under conditions in which the entire union apparatus is being discredited as more details come out about the wholesale bribery of the UAW leadership in the corruption scandal surrounding the illegal diversion of funds from the UAW-Chrysler National Training Center.

While the *Detroit Free Press* reported talk of a “contentious” convention, there was no evidence of such. The whole affair reeked of stage-managed conformity, beginning with the ultra-patriotic and militarist opening ceremony. The speakers list contained the usual rota of Democratic Party politicians, high-level union officials and leaders of the venal official civil rights establishment. Various displays promoted, not workers struggles, but corporate opportunities and joint union-management partnership. One booth touted the AFL-CIO Housing Investment Trust, which promised steady rates of return for pension fund investors.

In his report, Williams touted the union's reactionary program of economic nationalism, despite the presence of union delegations from Britain and Italy designed to provide the UAW with an “international” veneer. While the outgoing UAW president made certain criticisms of the Trump administration for stirring up “intolerance” and

its “lopsided tax plan” favoring business, Williams lined up behind Trump's trade war policies. In particular he advocated a tougher stance in the renegotiation of the North American Free Trade Agreement, including stiffer penalties on vehicles and parts imported from Mexico and Canada that do not meet US content requirements.

These remarks came a day after the Trump administration broke up the recent G7 economic summit in Canada with its calls for tariffs on steel and aluminum imports from US allies. The protectionist stance of the United States evoked warnings from French President Macron of the outbreak of full-scale trade war that could be the antechamber to a shooting war.

In his speech to the convention, Williams once again sought to distance the top leadership of the UAW from the corruption scandal ravaging the union. Once again, he made the absurd claim that the bribing of UAW negotiators by Fiat Chrysler executives had no impact on the outcome of the 2015 labor agreement with the Detroit automakers.

“To be clear: those who misallocated or misused training center funds betrayed our trust,” said Williams, who served both as secretary-treasurer and UAW president during the time of the illegal payoffs.

The federal investigation has seen two senior UAW officials, Virdell King and Keith Mickens, both involved in negotiations with Fiat Chrysler, entering guilty pleas. Also entering a guilty plea was Monica Morgan, the widow of the late General Holiefield, the former UAW vice president for Fiat Chrysler. Another senior UAW official in the Chrysler department, Nancy Johnson, has been indicted, but has not yet entered a plea.

The scandal has taken a wider toll in the UAW leadership, with Norwood Jewell, the former head of the Chrysler department, taking early retirement in January

and UAW Secretary Treasurer Gary Casteel announcing he will not seek re-election. The scandal has forced the UAW to tap an “outsider” to replace Williams, who is stepping down due to age requirements. The new heir apparent is Region 5 director Gary Jones, from Missouri, not part of the Detroit inner circle. Cindy Estrada, head of the GM department, who had been an early favorite for the top spot, was pushed aside amidst reports that her private charity was under Justice Department scrutiny.

The convention takes place one year before the start of the 2019 auto contract negotiations. In his report Williams referred to the 2-1 rejection vote by workers at Fiat Chrysler in 2015 against the sellout deal negotiated by the UAW, declaring, “workers sent a message to the company.” The result, he claimed, was that workers got “the contract they wanted” in a process that “demonstrated how democracy works in our union.”

In fact, the vote was a repudiation of the UAW, which brought back a deal maintaining the hated two-tier wage system and removing caps on the use of super-exploited temporary part-time workers. The UAW responded to the rejection vote by bringing back a virtually identical sellout. It only secured eventual ratification through lies and intimidation amid allegations of outright vote rigging.

In looking ahead to the 2019 talks Williams spoke ominously of the “tremendous example” of the retiree health care trust fund, or VEBA, managed by the UAW. He added, “This is a model we need to replicate across our collective bargaining agreements,” implying that a similar arrangement, perhaps along the lines of the health care co-op floated by the UAW during the 2015 contract talks—and overwhelmingly opposed by rank-and-file workers—will again be proposed.

The VEBA allowed the auto companies to offload their obligation to cover retiree health care to the union at a huge cost savings. Underfunded from the beginning, the VEBA resulted in cuts to retiree health care. Nonetheless, it was a bonanza for the UAW, which gained control of a multi-billion-dollar investment fund. That this is now being considered for hourly employees is further demonstration of the fundamental antagonism between the UAW and the interests of autoworkers.

Williams pointed to the growth of UAW finances, including a larger strike fund, as one of the accomplishments of his administration. Indeed, according to the treasurer’s report, the strike fund topped \$721 million in 2017, its highest level since 2010, following a 25-percent dues increase imposed in 2014. Despite stagnant or declining membership, which is currently

hovering around 400,000, down from 1.5 million in 1979, the assets of the UAW have remained remarkably constant and now stand in the area of \$1 billion. In fact, the finances of the UAW are dependent on its ability to suppress strikes, since the UAW constitution allows a considerable diversion of money from the strike fund to finance the union’s large roster of staff paid in the six-figure range.

Not included in the financial report are the union’s additional sources of income including direct payments from the auto companies to fund a myriad of joint programs as well as the administration fees collected by the union for managing the VEBA.

Following its longstanding policy, the UAW refused to issue convention press credentials to reporters from the *World Socialist Web Site Autoworker Newsletter*. Informal conversations by this reporter with convention delegates underscored the largely unrepresentative character of those in attendance. Most appeared to be in their 40s or older. A younger delegate from the Rawsonville, Michigan, Ford plant soon revealed that he had “been told bad things about you guys,” referring to the WSWS.

Needless to say, there were no temporary part-time workers at the convention, although by some reckonings they now account for nearly one out of every four workers at the Detroit carmakers. These workers are required to pay dues to the UAW, but do not receive even nominal protection under the UAW agreements.

The picture of crisis and decay at the convention points to the need for new, alternative forms of organization. No reform of the UAW is possible. Workers must not wait until the 2019 contract negotiations but must act now by organizing rank-and-file factory committees to be the genuine voice of workers. This break with the UAW must include a rejection of nationalism and its pro-capitalist outlook and the forging of the closest links between workers in the US and workers around the world.



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