

BREAKING: Vance Pearson, top lieutenant to UAW president Gary Jones, arrested for embezzlement

Tom Hall
12 September 2019

Vance Pearson, the UAW Region 5 director and member of the UAW's international executive board, was arrested this afternoon on charges of embezzling union funds.

Pearson, the 10th person indicted in the expanding federal corruption probe, is a key ally of current UAW President Gary Jones. He was Jones' top lieutenant when the latter was Region 5 Director, and he took over his post when Jones was appointed president.

Pearson also served on the board of directors of Jones' personal charity.

The arrest greatly increases the possibility of criminal indictments against Jones. The charges listed in the FBI's criminal complaint overlap with Jones' tenure as Region 5 Director.

An unnamed "UAW Official A" listed in the complaint is almost certainly Jones.

The federal charges center around falsified expense reports surrounding the Region 5 annual leadership conference in Palm Springs, California. This bogus "leadership training" conference is in reality a luxury vacation for UAW officials, complete with endless rounds of golf and expensive meals and liquor. It has already featured heavily in other indictments against UAW officials, including former UAW-FCA Vice President Norwood Jewell.

According to the complaint, Pearson and UAW officials A, B, C and D falsified reimbursement forms to pay for luxury expenses unrelated to the conference. This included \$400,000 in rent and cleaning expenses for expensive villas with private pools and condominiums in gated neighborhoods.

Pearson and other unnamed union officials would routinely stay in these villas for months after the

conference, falsely filing these as conference-related expenses.

The UAW also spent \$60,000 on lavish meals at Palm Springs area restaurants between 2016 and 2018. One of these meals involved a \$1,760 purchase of an ultra-premium brand champagne originally produced, according to its creators, "to satisfy the demanding tastes of [Russian] Tsar Alexander II."

Many of these expenses were reportedly billed to the "[UAW Official A] group," which also signed many of the invoices. One of the government's cooperating witnesses alleges that Pearson and UAW Officials A and C tried to conceal these expenses by lumping together line items under generic names such as "outside activities" and inflating the costs of hotel rooms.

The cooperating witness "believed the purpose of the endeavor was to conceal the true nature of the union's expenditures from its members," according to the complaint.

The arrest, taking place only two days before the expiration of the current UAW contract, greatly heats up an already explosive situation. The use of autoworkers' dues money on extravagant luxury getaways further demonstrates that the UAW is a criminal syndicate, hostile to the interests of workers.

Autoworkers must take the initiative out of the hands of the UAW, whose top leadership is now under redoubled pressure, facing lengthy jail terms, to deliver major concessions to the automakers. Workers must take the initiative now to form rank-and-file committees to organize a struggle independently of the union, formulate demands and link up with their brothers and sisters in other countries.

They must also demand that their dues money, which is funneled into the pockets of UAW bureaucrats, be placed at the disposal of autoworkers, including through the tripling of strike pay. The money to pay for this must come from the elimination of the bloated salaries of the UAW officials and the closing and selling off of the corrupt UAW-company training centers.

The WSWs *Autoworker Newsletter* is hosting an online meeting tonight at 7 p.m. EDT to discuss this perspective. To join the meeting, visit wsws.org/autocall



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact