

“We want back all the money that was taken from us”

Fiat Chrysler workers react as further corruption allegations rock UAW in midst of contract talks

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The explosive revelations contained in the lawsuit brought by General Motors against Fiat Chrysler charging the automaker with illegally conspiring with the United Auto Workers to slash labor costs have generated a firestorm of anger in the factories.

The filing of the lawsuit, in the midst of contract negotiations with Fiat Chrysler, has created an unprecedented crisis within the UAW, which this week saw the resignation of President Gary Jones who is accused of stealing millions in workers' dues money. The federal corruption investigation has resulted in the conviction so far of 10 people and charges against 13, including nine UAW officials. Among those convicted was Monica Morgan, the wife of the late UAW Vice President General Holiefield who negotiated the 2007, 2009 and 2011 Chrysler contracts, and Norwood Jewell who oversaw the 2015 contract.

The lawsuit filed by GM in US District Court in Detroit Wednesday alleges that FCA engaged in a pattern of racketeering activities that transformed the UAW into an “FCA-controlled Enterprise.” The result was to obtain favorable contract terms, resulting in billions in cost savings extracted from the backs of workers that, according to the lawsuit, gave FCA an unfair competitive advantage against other US-based auto companies.

Of particular note is the allegation contained in the lawsuit that the UAW acted in concert with FCA to attempt to force a merger with GM. As part of the conspiracy, the UAW agreed to lift the cap on the number of second-tier workers allowing FCA to hire thousands of additional lower-paid workers who also

received inferior health care and retirement benefits. GM also alleges that FCA coached UAW officials, including General Holiefield, in a successful bid to induce the UAW to sell off its controlling stake in the company.

The UAW also agreed to Fiat's so-called World Class Manufacturing system that eliminated job classifications even before the company's merger with Chrysler.

The new revelation further confirms the assessment of the *World Socialist Web Site* that the UAW has long ceased to be a workers' organization, but is a direct tool of management that enforces the ever more brutal exploitation of workers.

Reacting to the revelations a retired worker from Indiana wrote to the *WSWS Autoworker Newsletter* “I am a retired FCA employee. Have (not) gotten one Penny increase in my pension. Thump and the Repugs lied! All present employees right now will be in the same boat as myself when they retire. Retirees always get screwed by the company and the UAW. Where's our raise? Bonus? That's what I thought...zero! The rich get richer and the poor get poorer! That will never change in capitalist America!”

Another wrote, “I'm a 25-year employee of the UAW with all the steeling of money, bribes etc I want some of my union dues dollars BACK, basically a refund ... Union crooks owe us that!!!!!!”

An FCA worker in Brampton, Ontario wrote: “What about Fiat workers themselves getting rooked out of a lot of money? Should be a lawsuit in favor of the workers to get back what they were scammed out of

over the years.”

A veteran FCA worker told the *Autoworker Newsletter* that many workers were in a militant mood. “All three of the auto companies are in cahoots together. I don’t trust any of them.”

“Why didn’t GM file the lawsuit earlier? It is not like they weren’t aware of it.” He said he felt there was a strong possibility that GM had secured the cooperation of the UAW in preparing the lawsuit.

“We will not accept anything less than Ford or GM. In fact, we need more. We need to go back to a 40-hour workweek. We are supposed to have one Saturday on and one Saturday off. We are working seven days a week constantly. They are anticipating a strike.”

Following the filing by GM of a lawsuit against FCA, the company sent a letter to employees denying all the allegations. “The complaint rehashes a collage of salacious public allegations from the pending NTC [UAW-Chrysler National Training Center] matter and at first review, beyond unsupportable speculation, does not contain any new material.” It went on to claim that the filing of the lawsuit was intended to disrupt FCA’s pending merger with French-based PSA Group, creating the fourth largest auto company in the world.

As for the UAW, they reasserted the bogus claim that the bribery scheme had no impact on the outcome of the contract negotiations in 2015 and before.

A Fiat Chrysler worker at the Windsor Assembly Plant in Canada noted that then Canadian Auto Workers President Ken Lewenza had also agreed to World Class Manufacturing before the Fiat merger with Chrysler:

“Ken Lewenza went to Detroit to meet Sergio personally ... some story about Sergio smoking in Chrysler headquarters ...” (In April 2009 Fiat CEO Sergio Marchionne flew to Toronto to share an elegant dinner with Lewenza and other top officials of the Canadian Auto Workers to thank them for imposing massive concessions on Canadian Chrysler workers.)

A second-tier worker at the Toledo Jeep complex told the *Autoworker Newsletter*, “This is the first time the UAW has put through articles to remove a sitting president. That probably should void the GM and Ford contracts. Jones signed the GM contract. He is legally implicated, so that is not a valid document. The union cannot act as a bargaining agent for the company.”

He continued, “We all want to strike. We should file

charges against the entire UAW executive board. According to the constitution (Acting UAW President) Gamble is not eligible to negotiate. He can’t appoint a president. They have to hold a convention before a new president is elected.

“We want back all the money that was taken from us. Everyone should be making the same amount. Why should tier two be paid less? They bought and paid for all the concessions since 2009.”

The Toledo Jeep worker noted that the court document filed by GM referred to a secret “side letter” between FCA and the UAW waiving the cap on the number of second tier workers that could be hired. This allowed FCA to bring in thousands of lower-paid workers, providing the company with a massive cost savings. Between 2006 and 2015, the UAW helped Chrysler cut its labor costs by more than a third.

At a contract informational meeting in Toledo in 2015, then UAW Vice President Norwood Jewell defended the UAW’s failure to enforce a cap on lower-paid tier two workers. His pockets padded with company bribes, he had the gall to tell workers, “I’m telling you there is not one of us up here—and shame on you for suggesting otherwise—that has anything but the best interest of our membership in mind.” Indeed.

The Jeep worker continued, “Without that letter there would be a higher percentage of legacy workers making full pay, at least 2,000 more in Toledo alone. Tons of money is owed to us. Not to mention healthcare and pension benefits and a 4 percent yearly raise and more money on top of that. If the union was negotiating as an agent for the company, we are owed all of that.”

Commenting on the GM lawsuit, he added, “Chrysler did get an unfair advantage, but it is because of what the union did. They can’t sue Fiat Chrysler for what the union failed to negotiate. (UAW Vice President) Cindy Estrada and (former UAW President) Dennis Williams acted as agents for Fiat Chrysler to push for a merger with GM.”



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