

# On eve of FCA contract votes, US Attorney says federal takeover of UAW still possible

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*The WSWs Autoworker Newsletter will host a call Thursday, December 5, 7 pm EST to discuss a strategy to fight the sellout of FCA workers and mobilize autoworkers against the global assault on jobs and wages. To register, go to: [wsws.org/autocall](http://wsws.org/autocall).*

In a move likely intended as a warning to the United Auto Workers union, the *Detroit News* this weekend published a “rare” interview with US Attorney Matthew Schneider, the lead federal prosecutor in Michigan whose office is heading an ongoing investigation into the auto union’s corruption.

Schneider told *Detroit News* reporters that a federal government takeover was still a possible outcome of the corruption probe. He said he was “unimpressed” with supposed reform efforts announced in mid-November by acting UAW President Rory Gamble. Adding on the question of government trusteeship, Schneider said, “That shouldn’t be taken off the table.”

The interview was published as the UAW announced that it had reached a tentative agreement with Fiat Chrysler (FCA) on a new four-year contract. Fiat Chrysler is the last of the Detroit automakers to negotiate a new contract with the union that appears to be based on the sellout contracts forced through previously at Ford and General Motors.

The announcement of the deal took place shortly after GM filed a multibillion-dollar lawsuit against FCA. GM is seeking damages as a result of the exposure of wholesale bribing of the UAW by FCA officials to obtain major contract concessions that, GM officials say, allowed the Italian-based automaker to achieve a significant competitive cost advantage.

The main concern of the government is that there be no let-up in the decades-long assault on the wages and working conditions of autoworkers that have fattened the pockets of Wall Street investors and devastated the lives of workers. The UAW has delivered concessions contract after concessions contract while blocking any concerted resistance by autoworkers. That, the government insists, must continue at all costs.

The flagrant corruption of UAW officials at all levels has

deeply discredited the organization, undermining its ability to suppress the class struggle. In 2015, FCA workers voted to reject a contract negotiated by the UAW, the first time that had happened in more than 30 years. This sparked fears in ruling circles that the union was losing its ability to fulfill its core mission of controlling the opposition of the working class to the endless attacks on jobs and living standards.

The federal investigation of the UAW thus has the character of a preemptive move aimed at forestalling a rebellion by rank-and-file workers. It comes amid a continued growth in readership for the *World Socialist Web Site Autoworker Newsletter*, which played a critical role in the 2015 contract rejection and has served as a pole of attraction for militant workers. The call for the formation of rank-and-file committees independent of the corrupt UAW advanced by the *Autoworker Newsletter* has attracted wide interest, as has its fight for the international unity of the working class.

The government began an investigation into UAW corruption under the Obama administration, but it wasn’t until 2017 that the first indictments were returned. On the very eve of the expiration of the 2019 auto contracts, federal agents launched raids on locations in four states, including the home of then UAW President Gary Jones. On September 12 former Jones associate, UAW Region Five Director Vance Pearson, was arrested and charged with the embezzlement of union funds. On November 18 Jones resigned his post and Gamble was appointed acting head of the union. The same day GM unveiled its lawsuit providing further details of the massive bribery of UAW officials.

In a further warning to the UAW, Schneider said that the federal investigation was only halfway completed, suggesting many more indictments are yet to come.

Workers should dismiss with contempt the self-serving claims by the UAW that it has introduced “important reforms.” But they should also reject the phony claims by Schneider that the Trump administration’s Justice Department wants to “return the UAW to the workers,” as he told the *Detroit News*.

The US Justice Department investigation is aimed at restructuring the UAW to make it a more effective tool of big business, whether through a government takeover such as it carried out in the 1988 trusteeship imposed on the Teamsters, or internal reforms such as the direct election of officers. Above all the auto corporations and the Trump administration fear a rebellion by autoworkers that breaks free from the right wing, company-controlled UAW.

The *World Socialist Web Site Autoworker Newsletter* insists that while workers have every right to welcome the prosecution of Gary Jones and other corrupt officials, not the slightest confidence should be placed in the FBI, federal prosecutors or any other branch of the corporate-controlled government, whether they are led by Democrats or Republicans.

Time and again the US government has used its powers, not to protect workers, but to break strikes and arrest and frame up radicals, socialists and rank-and-file militants. In the Palmer raids of 1919-1920, the government jailed or deported thousands of immigrants and radicalized workers in the face of an upsurge in class struggle set in motion under the impact of the Russian Revolution. Militant workers were targeted for government frame-up, including Bill Haywood, leader of the revolutionary-syndicalist Industrial Workers of the World to anarchists Sacco and Vanzetti executed in 1927.

In 1941 the leaders of the Teamsters Union in Minneapolis, members of the Trotskyist Socialist Workers Party who had led the great 1934 Minneapolis general strike, were sent to prison under the antidemocratic Smith Act .

In the 1980s the FBI and Bureau of Alcohol, Tobacco and Firearms (BATF) organized the frame-up of many militant workers to aid corporate strikebreaking. This included four A.T. Massey miners in 1987, who received 35- to 45-year prison terms as well as Greyhound striker Roger Cawthra. During the same period striking Milburn and Logan County, West Virginia miners were also framed up and sent to prison.

US prosecutors are currently leading the Trump administrations frame-up of Wikileaks editor Julian Assange as well as whistleblowers Chelsea Manning and Edward Snowden in violation of all constitutional protections.

That government intervention will be ultimately directed against workers was underscored by a remark made by Schneider to the *Detroit News* . Schneider asserted that Detroit's 2013 municipal bankruptcy offered a "possible template" for federal UAW oversight. Schneider, a Republican and a Trump appointee, was previously the lead attorney representing former Michigan Governor Rick Snyder and the state of Michigan in the Detroit bankruptcy.

The bankruptcy of Detroit was the outcome of a criminal

conspiracy by the Republican governor and the Obama administration to carry out a precedent-setting assault on public sector workers. The bankruptcy filing was used to override constitutional protections to municipal employees and slash retiree pensions and privatize services, cut jobs and sell off city assets. The UAW, the American Federation of State, County and Municipal Employees (AFSCME) and other unions supported the bankruptcy deal and were complicit in the robbery of workers.

That the ultimate aim of government trusteeship over the UAW would be to attack workers is demonstrated by Schneider's effusive praise for the bankruptcy. He declared, "The pension board had to be overhauled and a new entity was created to make sure the trustees, the people who were in charge of pension investments, were qualified and had the proper backgrounds, that there were no conflicts of interest." He failed to note that one of the acts of the "reformed" pension board was to gut retiree pension and health benefits.

As Fiat Chrysler workers prepare to vote on a new tentative agreement, they must not delay but seize the initiative by forming rank-and-file factory committees to take the conduct of the struggle out of the hands of the corrupt UAW. Nothing the UAW says about the deal can be believed. Workers must have at least two weeks to study the contract ahead of any vote organized under rank-and-file file supervision of the voting process to prevent any ballot stuffing.

The degeneration of the UAW into a corrupt tool of management is not simply the result of rotten individuals. It is the product of the bankrupt program of the unions, based on nationalism and the defense of the profit system. That is why it is not a matter of workers trying to "take back" the UAW, which is rotten to the core, but building new organizations of struggle, democratically controlled by the ranks and based on fundamentally different principles.

The *Autoworker Newsletter* and Socialist Equality Party are advancing a socialist and internationalist strategy to unite autoworkers with other sections of workers globally against the corporate and government attacks. We encourage workers interested in learning more to contact us.



To contact the WSWWS and the Socialist Equality Party visit:

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