

# Ex-United Auto Workers official pleads guilty to corruption charges

Tom Hall  
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Edward “Nick” Robinson, a former official in the United Auto Workers (UAW), pled guilty in federal court Monday to his role in a broader conspiracy to embezzle more than \$1 million in union funds. According to the sentencing guidelines in the plea agreement, Robinson faces between 30 and 37 months in prison.

The plea deal means the noose tightens further around disgraced ex-UAW President Gary Jones, who finally resigned last November. Jones has been implicated but not charged in the embezzlement scheme. He resigned several months after his home was raided by federal investigators, but after passage of the new, pro-company, sweetheart labor contracts with the Detroit-based automakers were secured.

Robinson is the latest former top UAW official to be sentenced to a relatively lenient sentence for involvement in the wide-ranging corruption scandal. He is no doubt working with federal investigators to build their case against Jones and other top officials and is in a position to provide devastating evidence against them. At the courthouse Monday, Robinson could be seen smiling and “bear-hugging” federal agents after entering his guilty plea, according to the *Detroit News*.

Robinson was almost certainly the source of a wiretapped conversation in which Jones offered a no-work job to one of Robinson’s relatives in exchange for him taking responsibility for the scandal while remarking they should have “burned the records” of their embezzlement scheme.

A fire, indeed, broke out at Solidarity House, the UAW’s headquarters in Detroit, a few months later. Detroit fire investigators have yet to determine a cause but have not ruled out the possibility of arson.

The central importance of Robinson’s testimony is indicated by the fact that six other union officials, five

of them unnamed, are listed as co-conspirators in his plea agreement. They are, according to sources speaking to the *Detroit News*, Gary Jones (UAW Official A); his predecessor as president Dennis Williams (UAW Official B); Danny Trull, an “organizer” who is also cooperating with investigators (UAW Official C); Amy Loasching, a former top assistant to Williams (UAW Official D); and Jim Wells, the late Region 5 director who died in 2012 (UAW Official E). Vance Pearson, another top Jones lieutenant who also pled guilty last month, is listed by name as the sixth co-conspirator.

Robinson was the former head of the Midwest Community Action Program (CAP), a political action committee set up by the UAW’s Region 5, where Jones was director before becoming president in 2018. Region 5, now dissolved, covered the western half of the United States. It was a center of largess and high life enjoyed by the UAW bureaucracy, who attended conferences in Palm Springs, California, where they dined on steaks and expensive champagne, smoked expensive cigars and enjoyed endless golf junkets. Top UAW officials wintered in Palm Springs for months after these conferences at private villas, all paid for with UAW dues money.

To conceal these expenses, the union set up a series of “master accounts” at various hotels. According to the plea deal, these accounts “were funded, in part, by the UAW headquarters based on fraudulent vouchers submitted by senior UAW officials, which misrepresented the destination and purpose of the expenses.” However, once the assembled bureaucrats had burned through this money, the Midwest and Southwest CAPs cut checks to make up the difference, which together accounted for hundreds of thousands of dollars.

According to the plea deal, Robinson himself was responsible for the disbursement of nearly \$540,000 to “master accounts” in 2017 alone, including:

- \$200,000 to the Renaissance Palm Springs Hotel
- \$161,941 to the Lodge of Four Seasons
- \$107,447 to the Loews Coronado Bay Resort
- \$70,220 to Thousand Hills Golf Resort

The funds from this account were illegally disbursed to fund:

- \$129,336 for luxury condominiums and villas
- \$46,588 for lavish restaurants
  - \$80,904 for golf green fees and merchandise purchases
- \$15,274 for cigars and related paraphernalia
  - \$18,750 for spa services, clothing, musicals, amusement park tickets

The plea deal increases the likelihood of a federal takeover of the union under the Racketeering Influenced and Corrupt Organizations (RICO) Act, as took place with the Teamsters in the 1980s. In previous court filings, federal prosecutors referred to UAW Official A and UAW Official B, Jones and Williams, and four other officers as running “a racketeering enterprise” inside the union. Robinson’s testimony would be critical to prove the government’s case that corruption has affected the entire organization itself.

“It is hard to discuss the criminal behavior of these UAW executives without acknowledging the damage it has done to the faith union members have in their leadership. The FBI stands committed to these types of investigations in order to restore the union to its core purpose of negotiating for and protecting the rights of its hard-working members who put their trust in their union officials,” FBI special agent in charge of the FBI’s Detroit Field Office Steven D’Antuono said in a news release.

This is absurd. The FBI, notorious for its role in spying on and even assassinating left-wing opponents of American capitalism, is not intervening to restore union “democracy.” After a quarter century of federal receivership of the Teamsters ended in 2015, the union remained no less hostile to the interests of workers than it was in the 1980s. In 2018, the Teamsters overrode a majority “no” vote at UPS to impose a contract with major concessions.

The real purpose of federal intervention into the Teamsters in the 1980s was to shore up the rotten,

gangster-ridden apparatus, which had been instrumental in forcing through massive concessions at UPS and other companies, in the face of a rank-and-file rebellion against the bureaucracy. While the precise motivation of the present investigation into the UAW is concealed from the public, the business press has run worried comments for months about the implications of the disintegration of the UAW, which has played a critical role in forcing through wage cuts and hundreds of thousands of job losses since the late 1970s but which is universally despised by autoworkers.

In opposition to both the federal government and the UAW bureaucracy, autoworkers must take matters into their own hands. An independent orientation is required, in opposition to the unions, based upon the mobilization of the working class to fight against concessions—linking up the struggles of autoworkers with striking graduate students in California, autoworkers in Mexico, and workers throughout the world who are facing the same attacks. To accomplish this, the *World Socialist Web Site Autoworker Newsletter* calls for the formation of rank-and-file committees outside of the organizational structure of the UAW to serve as the voice of workers in the factories.



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