

# Feds propose 10-year oversight of UAW, Detroit News reports

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The US Department of Justice (DOJ) has proposed federal supervision of the United Auto Workers union for 10 years and the appointment of an independent monitor in a potential agreement that would defer prosecution of the UAW, according to a report published in the *Detroit News* last week.

The report stated that US Justice Department officials “proposed subjecting the United Auto Workers to 10 years of federal oversight to eliminate corruption within the union, one of the longest periods of federal supervision in recent history,” and that the proposal had been in the works for “several weeks.” The agreement would stop short of a full federal takeover of the UAW under the auspices of the Racketeer Influenced and Corrupt Organizations (RICO) Act, according to the *News*, avoiding the type of government trusteeship which the Teamsters union underwent following its prosecution in the late 1980s.

Since the *Detroit News*’ report, there has been virtually no further media coverage of the proposal. Throughout the years-long UAW corruption and bribery scandal, the *News* has served as a conduit for the FBI and the federal prosecutor’s office.

If federal oversight of the UAW or some cosmetic “reform” measures are implemented, they will do nothing to change the character of the UAW as an arm of the corporations run by company agents vehemently hostile to workers. Instead, the UAW would be even more dependent upon the capitalist state—which is not a neutral party, but rather represents the interests of the corporate and financial aristocracy—for its continued existence, and even more beholden to the demands to implement the brutal policies of the ruling class.

The possibility of an independent monitor for the UAW was earlier floated at the beginning of July in talks between UAW President Rory Gamble and US Attorney Matthew Schneider, the federal prosecutor overseeing the years-long investigation into UAW corruption and bribery. That federal criminal investigation, along with a more recent civil racketeering suit by General Motors against its rival Fiat Chrysler, revealed what autoworkers long suspected: that the UAW is a cesspool of criminality, run by bribed operatives of the companies.

To date, 10 UAW officials, including former UAW President Gary Jones, along with the widow of one high-ranking UAW officer, have pleaded guilty to charges including violation of labor laws, racketeering, embezzlement, conspiracy and tax fraud. While forcing through year after year of concessions contracts and auctioning off workers’ rights, UAW officials lived the high life,

with months-long getaways to luxury resorts, lavish meals, endless golf junkets, designer clothing and jewelry, bottles of Cristal champagne and high-end cigars.

In the most recent and explosive revelations brought to light in the course of GM’s lawsuit, top UAW officers, including among others former presidents Ron Gettelfinger and Dennis Williams and former Vice President Joe Ashton, were alleged to have been given control of secret foreign bank accounts by FCA into which tens of millions of dollars were funneled, in a scale of bribery far beyond that which had previously been revealed.

Former UAW President Jones and former UAW-GM Vice President Ashton are each still awaiting sentencing following their earlier convictions. Jones pleaded guilty in June to charges that he conspired to embezzle \$1.5 million in members’ dues money for the personal use of top union officials, and Ashton pleaded guilty last December to money laundering and wire fraud charges. Former UAW-FCA Vice President Norwood Jewell, who pled guilty in April 2019 for his part in the bribery conspiracy with FCA, served five months of a slap-on-the-wrist prison term in a minimum-security facility before being released early in May to serve the remainder of his sentence at home.

Former President Dennis Williams, whose home was raided by the FBI last year, reportedly returned \$55,000 in “inappropriately” used expenses earlier this year. While Williams was one of the unnamed co-conspirators in the case against Jones, according to sources cited by the *Detroit News*, he himself has yet to be charged. The UAW, which has doled out over \$2 million in union funds to cover its officers’ legal fees, just recently stopped covering Williams’ legal defense, in a possible indication that an indictment may still be in store for him.

Current UAW President Rory Gamble, who has been leading the talks with the DOJ, was himself previously reported to have been under investigation for allegedly taking kickbacks from a highly paid union apparel vendor. As with Jones before him, Gamble was held up as representing a clean slate and “reform from within” by the UAW upon assuming the role of acting president after Jones stepped down.

Significantly, the *Detroit News* again cited comments in its report last week by US Attorney Schneider that he favored implementing the direct election of union officials to the UAW’s executive board, rather than the current antidemocratic set-up, in which UAW executives are elected by tightly vetted delegates to its conventions.

This proposal, worked out between the UAW and the Trump administration's Justice Department, would do nothing to change the corporatist character of the UAW, which cannot be undone simply via the replacement of a few "bad apples," or make it a genuinely democratic organization. One should consider the role of Schneider: the federal prosecutor now improbably posing as a champion of union democracy, played a leading role as a deputy attorney-general for the state of Michigan in the enforced bankruptcy of Detroit, which stripped retired public employees of pension and health benefits.

Nonetheless, this has not stopped the proposal from being trumpeted by the Unite All Workers for Democracy (UAWD) faction within the union as a means to supposedly reverse the UAW's decades-old transformation into a tool of management and cheap labor contractor. Earlier this year, the UAW squashed a bid by the UAWD to hold a special convention to amend the union's constitution to allow direct elections.

Scott Houldieson, former UAW Local 551 vice president at Ford's Chicago Assembly Plant, founding member of the UAWD, and longtime supporter of the pseudo-left *Labor Notes* publication, told the *Detroit News*, "We have been pushing for direct elections for international officers, and we want to see that come to fruition. Along with that, we would like to have the ability for a monitor or a judge to be able to intervene if the elections weren't going properly. Without direct elections, it's nearly impossible to hold officers accountable."

An ardent supporter of the Democratic Party, Houldieson has worked throughout his career to keep workers' opposition from breaking out of the confines of the UAW, promoting illusions in the possibility of various reform efforts, and seeking above all to prevent the development of a movement of workers independent of both the unions and Democratic Party.

For Houldieson and others like him, it is not unlikely that they smell an opportunity to win lucrative positions in the UAW leadership through federal oversight.

Anyone harboring lingering hopes that things will improve for autoworkers through the intervention of the state, the direct election of union executives or some other "reform" measures should consider the disastrous outcome of previous such experiences in the unions.

In the early 1970s with the United Mine Workers of America (UMW) and the late 1980s and beyond with the Teamsters, the federal government intervened under the pretext of combating corruption, overseeing union elections in the case of the UAW and carrying out a takeover of the Teamsters under the RICO act, placing it under trusteeship. The reform factions which came into the leadership as a result of this process—the Miners for Democracy and Arnold Miller in the first case (and later Richard Trumka, now president of the AFL-CIO), Teamsters for a Democratic Union and Ron Carey in the latter—immediately came into conflict with workers.

Wherever these or other "reform" factions in the unions, including New Directions in the UAW itself, came into power, they worked just as consistently to enforce the will of management, with the result being the decimation of workers' rights won over generations of struggle.

As with previous interventions by the federal government to supposedly clean up union corruption, the state criminal cases against UAW officials have not been driven by a desire to make the UAW into an organization which represents workers. Rather, it has been aimed at heading off a full-scale rebellion by autoworkers outside the control of the union.

After the US auto industry was restarted in May following its shutdown—which itself was the result of wildcat actions taken by rank-and-file workers in North America and Europe, which the unions tried to halt—anger has continued to grow, as workers are confronting the danger of exposing themselves to the coronavirus at their workplaces on a daily basis. Workers have begun to organize rank-and-file safety committees independent of the unions at auto plants across the Midwest in order to fight for safe and humane working conditions.

There have been earlier indications that the state is growing nervous about the potential impact of any additional revelations of UAW criminality adding further fuel to this opposition. Judge Paul Borman, who has also been overseeing the federal criminal cases, has twice now blocked GM's racketeering suit from proceeding any further, referring to it as "waste of time and resources." If the government does reach a deal with the UAW which avoids a full takeover, it would not be because it has become any less corrupt, but rather because the state feels that the UAW can still be relied upon to enforce the will of management without more drastic, and potentially destabilizing, measures (such as a full federal takeover) being taken at this point.

US autoworkers must not take a "wait and see" approach to the outcome of the talks between the federal government and the UAW. Rank-and-file safety committees, genuinely democratic workers' organizations independent of the unions, must be formed and expanded, forming a network across the auto industry and linking up with the vast opposition developing among teachers and other workers in a movement fighting to secure the interests of the entire working class.

The WSWS *Autoworker Newsletter* will provide workers every assistance in building these committees. To get involved, contact us today.



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