

Former UAW President Dennis Williams charged with embezzlement

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Former UAW President Dennis Williams was indicted yesterday on charges of embezzling union funds to pay for cigars, meals, liquor, golf and stays at luxury villas falsely billed as union business. Williams is the 11th UAW official indicted so far.

Williams, who served as UAW president from 2014-2018, is also the second head of the union to face charges. Former UAW President Gary Jones pleaded guilty in June to stealing more than \$1 million in union funds for personal use. Prosecutors have recommended a reduced, 57-month prison sentence because of Jones' reported cooperation with federal authorities. Williams, who is expected to plead guilty, faces up to five years in prison if convicted.

According to court documents, the conspiracy in which Williams was involved started in 2010 when he was UAW secretary-treasurer. It also involved Gary Jones and former UAW Region 5 officials Edward N. Robinson and Vance Pearson. It also included three other unnamed UAW officials identified as C, D and E, thought to be lower level associates of Jones and Williams.

It should be noted that the embezzlement conspiracy continued during the term of former UAW President Bob King, who has so far escaped indictment. King nominated Vermont Senator Bernie Sanders at the recent Democratic National Convention.

Williams exemplifies the utterly corrupt social strata that makes up the UAW bureaucracy. He oversaw the 2015 sellout contract, later demonstrated to have been pushed through with bribes, that permitted the vast expansion of lower paid temporary part time workers.

In earlier years he was involved in the isolation and betrayal of the bitter series of strikes by Caterpillar workers in the early 1990s and later helped negotiate concessions contracts at Caterpillar in 2004 and 2011.

The sellout deals ended company-paid pension plans, imposed increased health care costs, sanctioned plant closings and cut pay for new hires. The 2004 Caterpillar contract provided the precedent for the later imposition of the two-tier wage system in the auto industry. Williams also oversaw the 2015 contract betrayal of Navistar workers; he had been the UAW representative on the Navistar board of directors since 2006.

Among the charges against Williams is that in 2015–2016 he accepted \$17,195 for a more than three-month stay in a luxury villa in Palm Springs, ostensibly for a UAW Region 5 conference that lasted just one week. Then in 2016 to 2017 he accepted another \$22,195 for a stay in a Palm Springs villa. He also was paid \$12,195 for a villa to house friends unrelated to any UAW business.

The federal indictment does not contain any reference to the bribery scandal involving payouts by FCA to top UAW officials, including the late UAW Vice President for Fiat Chrysler General Holiefield and UAW VP Norwood Jewell. The conspiracy, going back until at least 2009, involved the illegal transfer of FCA-UAW National Training Center (NTC) funds to union officials to obtain favorable contract terms and, as one FCA official asserted, to keep union officials “fat, dumb and happy.”

The indictment of Williams had been expected for some time. Federal agents raided the homes of Williams and Jones last August on the eve of the expiration of the UAW-GM contract. Earlier this month the UAW said it would stop paying Williams' legal fees, already totaling more than \$320,000, and that it would sell the luxury lakefront retirement home built for Williams' use at the union's Black Lake resort. According to press reports the UAW has spent more

than \$2.3 million in legal fees related to the federal corruption investigation, paid for out of workers' dues money.

Current UAW President Rory Gamble has been negotiating a settlement with Matthew Schneider, the US Attorney heading the corruption investigation, that would include the appointment of a federal monitor over the union. The two sides are also reportedly discussing reform options including direct election of officers.

Gamble himself is under a cloud, with published reports that he is being investigated for involvement in a lucrative kickback scheme with a Detroit-area businessman who supplied UAW-branded merchandise.

The federal corruption investigation has only confirmed what workers have long suspected, that the UAW is a bribed tool of the auto companies that is completely hostile to autoworkers. This is further indicated by the explosive allegations by General Motors earlier this month that FCA funneled tens of millions into the pockets of the bureaucracy. The allegations were in a court filing seeking to reinstate GM's lawsuit against Fiat Chrysler, on the grounds that the latter obtained contracts favorable to itself and unfavorable to GM by converting the union through systematic bribery into a "Fiat Chrysler-controlled enterprise."

The federal indictment does not reference the GM allegations. However, GM said its private investigators determined that FCA had paid top UAW officials tens of millions of dollars for their services in selling out the interests of workers, money funneled through offshore bank accounts in Switzerland, Panama, Singapore, Lichtenstein and the Cayman Islands. Those allegedly benefiting from the bribes were top UAW officers, including former UAW President Ron Gettelfinger, who served 2002–2010, Dennis Williams, and former UAW Vice President Joe Ashton, who also served on GM's Board of Directors. GM claims that Ashton acted as an FCA mole inside the GM board of directors, as part of its campaign to pressure GM into a merger, codenamed Operation Cylinder. To further this conspiracy, according to GM, FCA authorized the funneling of money to the UAW through FCA's National Training Center, an action illegal under US labor laws and that would have had to be approved by

then UAW President Williams.

In remarks following the filing of the Williams indictment, Schneider said that Fiat Chrysler and Ford were still the target of ongoing investigations. GM has been told that it is not under scrutiny. Schneider says his goal is to wrap up the investigation by the end of the year.

The decision of the news media to drop references to the latest allegations by GM, which are an order of magnitude greater than what had previously been revealed in the corruption probe, points to the ruling class's interest in shutting further revelations of UAW corruption for fear of inciting rebellion by autoworkers.

The exposures of the UAW underscore the fact that the corrupt gangster-ridden UAW cannot be reformed. The urgent need is to build independent workplace and factory committees under democratic workers control.

The *World Socialist Web Site Autoworker Newsletter* urges workers to follow the example already taken by workers at many auto and auto parts factories by establishing rank-and-file safety committees to organize the fight for workers health during the pandemic against the criminal suppression of information on COVID-19 infections by the UAW and management.

Autoworkers must forge ties between factories as well as workers in different occupations, including teachers, who are opposing deadly plans to reopen schools even as the virus spreads unchecked. The guiding principle must be that the protection of human life takes priority over the defense of private profit.



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