

The sentencing of former UAW President Dennis Williams and the case for rank-and-file committees

Jerry White
5 May 2021

Earlier this week in the US District Court in Detroit, federal prosecutors argued that Dennis Williams, the president of the United Auto Workers from 2014 to 2018, should be sent to a prison for two years for embezzling union funds.

The sentencing memorandum filed by prosecutors detailed how Williams and other top officers concealed the theft of union dues through reimbursements for “union conferences” held in Palm Springs, California, and other locations. The conferences, supposed to last three to five days and held ostensibly to train local union leaders, were used as “all-expenses-paid vacation[s]” by Williams and his fellow executives, who stayed up to four months in their villas and “racked up substantial bills at golf courses, restaurants, and other venues before, during, and after the conferences.”

This included a December 31, 2016, New Year’s Eve party at LG’s Prime Steakhouse in Palm Springs where top UAW officers spent “thousands of dollars of liquor, wine, and four bottles of champagne (that alone cost \$1,760), a specific request by Williams’s wife,” the sentencing memorandum says.

Prosecutors are recommending a wrist-slap fine and a 24-month prison term, most likely to be carried out in a white collar “Club Fed”-type minimum-security facility. Whatever the sentence that is ultimately handed out, he will likely serve for far less than the full two years.

The sentencing of Williams is the latest episode in a years-long federal investigation of top UAW executives that led to the conviction of 15 individuals, including Williams as well as former UAW President Gary Jones and former UAW Vice President Norwood Jewell. Among the revelations in the investigation was the fact that the UAW accepted bribes in exchange for their role in imposing concessions contracts on autoworkers.

Late last year, the Justice Department announced that it was shutting down the investigation, in exchange for a few token reforms.

The punishment for Williams and the other executives involved in the conspiracy pales in comparison to the devastation wrought on autoworkers. Moreover, the departure of Williams, Gary Jones and a few other criminals has done nothing to alter the character of the UAW, which functions as a direct tool of corporate management.

At a Detroit Labor Fest speech in 2015, the prosecutors wrote in the sentencing memorandum, Williams “told union members that ‘CEOs and board members and Wall Street’ ‘didn’t have a problem getting theirs’ so ‘we’ should ‘not feel bad about getting ours.’

“The ‘we’ that he helped ‘get[] theirs’ were the top-level officials, including himself,” the prosecutors point out.

This is no doubt true. But the Justice Department would have workers think this just involves Williams and a few other corrupt officials. In fact, the UAW and AFL-CIO executives as a whole have spent decades increasing the share of income that goes to CEOs and Wall Street and securing a cut for themselves. In the process, the “unions” have become a business, led by corporatist officials who are part of the top 3 percent in the US and benefit from the exploitation of workers.

As late as the mid-1970s, it could still be argued that workers could exercise a degree of influence over the unions and that the income and lifestyles of the “labor bureaucracy” were in one way or another still connected to the standard of living workers had won in previous battles. This changed fundamentally with the Chrysler bailout in 1979–80 and the collusion of the UAW in the process of deindustrialization, which would lead over the next three decades to a fall in membership from 1.5 million in 1979 to 300,000 in 2009.

By the early 1980s, the UAW abandoned any resistance to the employers and fully embraced the corporatist doctrine of “labor-management partnership.” The UAW bureaucracy acquired new forms of income—seats on corporate boards, billions in company-financed training funds, shares and other investment instruments, and the looting of the strike

fund as it all but ended strikes—that were completely disconnected from and in fact rose in inverse proportion to the decline in the wages and benefits of the workers the UAW claimed to represent.

Williams' own career exemplifies the character of the UAW. The sentencing memorandum refers to Williams as an “institution” within the ranks of the UAW International Executive Board, who rose from Director of Chicago-based UAW Region 4 in 2001 to UAW Secretary-Treasurer in 2010 before obtaining the presidency four years later. In every election Williams won from 1983 to 2014, he ran unopposed.

Williams cut his teeth as bargaining chairman of UAW Local 806 in 1986–87, when he helped negotiate a contract with heavy equipment manufacturer Case IH that sanctioned the closure of plants in Indiana, Iowa and Illinois, wiping out 1,500 jobs. In 2004 and 2011, he negotiated contracts with Caterpillar that ended the employer-paid pension plan, imposed a 20 percent health care contribution on workers, sanctioned plant closings, and reduced pay for newly hired workers to “market-based” wage rates. By 2006, he was appointed to the board of directors of truck manufacturer Navistar—at a reported salary of \$120,000 a year—under the terms of a UAW deal from a decade earlier which allowed Navistar to dump its pension obligations.

With the assistance of the UAW, labor costs for GM, Ford and Chrysler had been halved between 1999 and 2014, and the cost per vehicle had fallen to the lowest level in history. This was accomplished at the expense of tens of thousands of job losses and the introduction of a two-tier wage system, which cut new hires' wages 50 percent.

The 2015 contract overseen by Williams, which Chrysler workers initially rejected by a 2-to-1 margin, retained the starting wage of less than \$17 an hour, required new hires to work eight years to reach top pay, and vastly expanded the number of highly exploited temporary part-time employees (TPTs) who have no job security but must pay union dues.

The various apologists for the official unions among the pseudo-left organizations around the Democratic Party never care to examine their actual role and the social interests that control them and their real relationship to the workers they purport to represent.

What is the UAW? As the saying goes, follow the money... According to its most recent filing with the US Labor Department, the UAW in 2020 had \$1.12 billion in assets, including \$217 million in US Treasury Securities and \$727 million in unnamed investments. It collected \$170 million in dues from workers, \$76.2 million in interest and \$30 million in “other receipts.” Its scheduled income included \$5.2 million and \$2.4 million respectively from the GM Training Center and Ford Training Center.

Out of its “disbursements” of \$286.4 million, only \$6.1 million went to strike benefits while \$90 million went to “representational activities” and \$76 million for the “purchase of investments and fixed assets.” In addition, it paid \$3 million last year to its top 14 officials, including President Rory Gamble (\$244,772), Secretary Treasurer Raymond Curry (\$236,608), Vice President Terry Dittes (\$231,614) and Vice President Cindy Estrada (\$220,506) and Region 9A Director Beverley Brakeman (\$218,445).

To defend their privileged positions, the UAW executives must suppress the class struggle. That is why Curry forced the shutdown of the two-week strike by 3,000 Volvo Truck workers last week, forcing them to return to work without voting on or even seeing a concessionary contract. That is why Brakeman imposed a “pause” on the strike by Columbia University graduate student workers to prevent a joint strike with New York University students.

The Biden administration understands that the criminal response of the ruling class to the pandemic has accelerated the militancy and radicalization of the working class and is doing everything to promote the unions. There is nothing more the ruling class fears than an uncontrolled eruption of the class struggle, which could overwhelm the institutions of class rule and pose an existential threat to the capitalist system.

But that is exactly what is needed to mobilize the working class to stop the sacrifice of lives for corporate profit and put an end to the danger of war and dictatorship.

At the International May Day Online rally held last Saturday, the International Committee of the Fourth International issued the call for the formation of the International Workers Alliance of Rank-and-File Committees (IWA-RFC). “The aim of this global initiative,” David North, the chairman of the International Editorial Board of the WSWS, said, “is to develop a genuine broad-based movement of the international working class, and to encourage workers in all countries to break out of the prison-like shackles in which they are confined by the existing state-controlled and anti-democratic unions, staffed by right-wing pro-capitalist executives.”

We urge workers to read our call for the IWA-RFC and take up the fight by contacting us at wsws.org/workers.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact