A warning to autoworkers: Why the Fain administration is promoting former UAW President Douglas Fraser

Jerry White
29 August 2023

Join the weekly international autoworkers rank-and-file online forum on the 2023 Detroit Three contract fight, Sundays at 3 p.m. Eastern. Register here to attend.

In his effort to maintain credibility among autoworkers who have voted overwhelmingly to strike in the looming contract battle, United Auto Workers President Shawn Fain has claimed that the "new UAW" has broken decisively with its decades of "company unionism."

"This is a simple truth that every unionist knows: When we're working together with management, it does not work," he declared during a Facebook Live event last Friday. "We have sat by for decades while these companies continued to just take and take from us," he said, adding, "This is our time to take back what we're owed."

Despite the rhetoric, Fain and the UAW bureaucracy he oversees have no intention, let alone strategy, to mobilize autoworkers to win back past gains and defeat new attacks. That is why workers must organize rank-and-file committees and put the power and decision-making into the hands of shop floor workers.

The global auto companies are using the transition to electric vehicle production to launch a worldwide assault on jobs, with Ford CEO Jim Farley declaring that EV production will require 40 percent fewer workers. The auto companies are seeking deals with the UAW that will clear the way for a jobs massacre and the creation of a cheap labor workforce in the EV plants.

Fain and the UAW bureaucracy have already agreed to this. If they are "demanding" anything from the companies, it is to make sure that these low-paid workers will be paying dues to the UAW.

"Labor"—by which he means the UAW bureaucracy—"cannot be left out of the equation," Fain said regarding the EV transition. "Labor has to have a seat at the table. The workers can't be left behind. That's what's happening in this transition so far, and it's up to the Biden administration and our people in Congress to fix those things when it comes to our tax dollars going to those companies with no conditions."

In other words, the UAW bureaucracy wants a "seat at the table" to maintain its lucrative relations with the auto corporations.

Douglas Fraser: Enforcer of historic attacks on jobs and wages

In this regard, it is noteworthy that last week the UAW Communications Department tweeted a glowing tribute to Douglas Fraser, the UAW president from 1977 to 1983. With time ticking down on the contract expiration, the social media post might have been seen as a obscure historical reference. In fact, it must be taken as a serious warning to rank-and-file autoworkers.

The vast majority of autoworkers would not know—and the UAW Communications Department did not inform them—that Fraser was the first leader of a major union in US history put on the board of directors of a major corporation. This occurred during the first bailout of Chrysler in 1979-80, overseen by the Democratic administration of President Jimmy Carter, and had devastating consequences that autoworkers are still paying for to this day.

Appointed to the board of directors by Chrysler CEO Lee Iacocca in 1980, Fraser imposed nearly half a billion dollars in wage cuts on Chrysler workers. This amounted to a pay cut of nearly $10,000 a year for every Chrysler worker—or around $40,000 in today's dollars.

The UAW bureaucracy claimed the measures were necessary to "save" the company and workers' jobs. "If Chrysler takes a tumble, what's the use of having a contract that pays $25 an hour?" Fraser told the *New York Times* at the time.

Fraser assisted Chrysler in closing or consolidating 20 plants and eliminating 57,000 jobs, including 30,000 in Detroit alone. A congressional report had identified Detroit as having "one of the most troublesome and unreliable workforces in America." To address that, Fraser and other UAW officials specifically targeted factories, including Dodge Main, with the most militant workers and used plant closures and mass layoffs to blackmail other workers into submission.

What UAW officials claimed would be "temporary concessions" to save one company would be extended throughout the auto industry and the entire US economy. The Chrysler bailout, Reagan's firing of over 11,000 striking air traffic controllers in 1981 and the massive deindustrialization and union busting of the decade marked the definitive end of the period of relative class compromise that had characterized the post-World War II economic expansion. Confronting the loss of its once dominant position in the world market and facing a powerful economic challenge from Japan and Germany, American capitalism embarked on a program of class warfare.

This period also saw the development of transnational corporations and the globalization of capitalist production, which enabled the American ruling class to shift production to lower wage regions. In the face of this, the trade unions, which were rooted in the national industries and labor market, abandoned any resistance to the corporate onslaught on the working class and were transformed from organizations that pressured corporations for concessions to organizations that pressured the working class for concessions.

On the part of the UAW bureaucracy, pro-corporate policies went hand in hand with filthy "Buy American" nationalist campaigns that blamed Japanese workers for the destruction of jobs. One result of the racist agitation by the UAW and other unions was the 1982 murder of Chinese

© World Socialist Web Site

American engineer Vincent Chin in Highland Park, Michigan.

At its 27th Constitutional Convention in May 1983, the UAW explicitly adopted "corporatism," the doctrine of unrestrained class collaboration based on the supposed harmony of interests between the capitalist owners and the working class, as its official program.

The present-day UAW Communications Department conceals all of this.

Instead, it attempts to portray Fraser as an early opponent of labor-management collusion, pointing to his 1978 decision to quit Carter's Labor-Management Group, where he and other labor leaders colluded with the heads of GM, US Steel and other corporations. But Fraser's tactical decision to quit the group was not taken out of principled opposition to such collusion—proved by his subsequent actions at Chrysler—but because of the mass opposition of the working class to Carter's pro-business policies. Just four months before Fraser's resignation from the Labor-Management Group, 150,000 striking coal miners defied Carter's Taft-Hartley back-to-work order.

The 2009 restructuring of the auto industry

Twenty-nine years after the first Chrysler bailout, during the Obama-Biden administration's restructuring of GM and Chrysler in 2009, the corporations and another Democratic administration would once again rely on the UAW bureaucracy to impose historic concessions on workers.

In exchange for sanctioning plant closures and mass layoffs, the halving of wages and elimination of pensions for new hires, the abandonment of COLA and other concessions, the UAW bureaucracy was given a "seat at the table" again. This included positions on the boards of GM and Fiat Chrysler, billions of dollars in corporate shares and control of the massive retiree healthcare trust.

As a member of the 2009 UAW-Chrysler Negotiating Committee, Fain fully supported the concessions. "It was hard to swallow the cuts, but we have to preserve jobs and the future," Fain told the *Kokomo Tribune*. "We're not happy about it, but you have to do what you have to do. Hopefully we can get back to selling cars, and this will be a bad memory like 1979 and '80."

But 1979-80 and 2009 are not just "bad memories." They are part of the four-decade-long collusion with the auto companies which have devastated the jobs, living standards and communities of workers. Since 1979, the number of UAW members in the Detroit Three auto companies has fallen from 1 million to about 150,000.

During this period, the UAW bureaucracy found new sources of income to offset the loss of dues-paying members. This included *billions of dollars* in direct corporate funding funneled through joint training programs and other corporatist schemes, not to mention the direct bribing of UAW negotiators, like Fain's former boss Norwood Jewell.

According to its latest financial filing with the US Department of Labor, the UAW had assets of more than $1.1 billion in 2022 and received more than $20 million from the companies through various labor-management bodies. For all of his talk about ending "company unionism," Fain has not and will not dismantle the various corporatist schemes that are the source of his $275,000+ salary and the privileged lifestyles of the whole bureaucracy.

Fain, Fraser and the DSA

Why is the Fain administration promoting Fraser now? The fact is the current UAW president shares his political outlook and is preparing a betrayal of even greater magnitude.

Like Fraser, Fain rails against "corporate greed" and suggests that if only corporate executives had a conscience and "shared the wealth," the profit system could work for everybody. This conceals the fact that the working class in the US and internationally are in a battle against capitalism, which subordinates every aspect of life to corporate profit.

Fraser was one of the most prominent trade union leaders in 1973 who joined Michael Harrington to found the Democratic Socialists Organizing Committee, the predecessor of the Democratic Socialists of America (DSA). The economic nationalism and support for imperialism which characterized Harrington's politics, and the subordination of the working class to the Democratic Party at all costs, are at the center of Fain's and the DSA's politics today.

Far from fighting for socialism and the political independence of the working class, the DSA is a faction of the Democratic Party, which supports the capitalist and pro-war policies of the Biden administration. Its anti-working class character was on full display last year when Alexandria Ocasio-Cortez and other DSA members in the US Congress voted to ban the strike by 110,000 railway workers.

The Socialist Equality Party and the *World Socialist Web Site* have an unbroken record of fighting the betrayals of the UAW bureaucracy. In a 1983 pamphlet, *Corporatism and the UAW*, the Workers League, the predecessor of the SEP, explained, "The DSA attempted to cover up the betrayal of the Fraser leadership in the UAW by portraying the concessions contracts and Fraser's entry onto the board of Chrysler as steps towards 'industrial democracy' ... and 'democratic planning.'"

In opposition to the destruction of tens of thousands of jobs, the Workers League called for the "nationalization of the auto industry, and all basic industry, together with the banks, under workers' control and without compensation to the owners." In addition, the Workers League called for the reopening of every closed plant, the control of safety and working conditions by committees elected from the shop floor, the reopening of all the contracts in the auto and auto parts industry and the restoration of all concessions.

"[I]t is not a question of convincing the UAW leadership or any other section of the trade union bureaucrats of the wisdom of this program," the Workers League wrote, but building a "new, revolutionary leadership" in the working class.

The globalization of capitalist production, which has been used against the working class for so long, has also vastly expanded the numbers of workers globally, linking them in an international web of production. This process—along with the extension of mobile devices, the internet and social media to virtually every corner of the world—provides workers with an unprecedented opportunity to unite their struggles against the global corporations.

The International Workers Alliance of Rank-and-File Committees (IWA-RFC), with which the Autoworkers Rank-and-File Committees Network is affiliated, is fighting to transfer power and decision-making from the union apparatuses to workers themselves. Such a program is the only means through which workers can unite and utilize their immense strength against the attacks of the global automakers and capitalist exploitation.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site