

# UAW monitor investigating Fain, UAW leadership for misuse of funds, hiding documents

Eric London  
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Yesterday, the federal court-appointed monitor in charge of overseeing the UAW bureaucracy issued a bombshell status report revealing that it has been conducting a growing investigation into ongoing, systematic corruption within the administration of UAW President Shawn Fain and that an investigation is underway against Fain personally for misuse of union resources.

According to the report, Fain and the bureaucracy are “obstructing and interfering with [the monitor’s] access to information needed for [the] investigative work.” The report quotes a June 7 email from the Department of Justice which reads, “The Union’s position is making it difficult, if not impossible, for the Monitor to fulfill his mandate to remove fraud, corruption and illegality from within the UAW.” The report does not explain why the monitor has withheld information about these months-long investigations from the rank and file for at least four months.

The investigation includes accusations of corruption against Fain and the International Executive Board (IEB) by two leading members of the bureaucracy, Secretary-Treasurer Margaret Mock and Vice President Rich Boyer. Mock was sidelined and Boyer relieved of oversight over the union’s Stellantis department, and both have told the monitor it was because they refused to authorize the misuse of union resources by Fain and the IEB. In April, the monitor began investigating “another IEB member, a Regional Director, after receiving allegations of potential embezzlement.”

Nor do these appear to be isolated incidents, as serious as they would be on their own. The monitor stresses “the seriousness of the allegations and the high-level concern that the monitor witnessed throughout the union as a result of them.” According to the monitor, the reaction of the bureaucracy to these initial reports has been to hide the evidence: “The union has not cooperated in producing documents that are relevant to the investigation in a complete and timely manner.” This has handicapped the

monitor’s lawyers’ ability to properly question UAW leadership during interviews, forcing them to “to conduct those interviews without the benefit of the full production of potentially relevant and contemporaneous documents.”

The monitor went to great lengths to avoid bringing this information to public light, concerned over the anger it would generate among rank-and-file autoworkers.

The report explains, “The monitor has attempted for months to garner the Union’s cooperation in gathering the information needed to conduct a full investigation, but the Union has effectively slow-rolled the monitor’s access to requested documents.” It adds that “the monitor has taken a collaborative posture with the UAW from the beginning of the monitorship,” and that the monitor even gave a draft of the report to the UAW itself a full month before it went public on Monday! According to a footnote, the monitor sent the report to the UAW and its lawyers “on May 10, 2024 and request[ed] the union’s feedback.”

Evidently that feedback was to start guarding the evidence, or worse. The monitor explains that it has requested 116,000 documents from the UAW leadership in the new investigation but that the UAW “has produced a very small portion (approximately 2,600 documents)” and “with more than 80% of those documents only produced on June 6, 2024, days before the issuance of this report.”

Elsewhere in the report the monitor writes that “by early April 2024 the Union had produced just 18 documents.” The monitor details its polite attempts “to assist in speeding the pace of production,” but these evidently came to no avail.

According to the monitor, the UAW has made three basic arguments to justify its efforts to block the investigation and bar the release of some 115,000 documents.

Originally, the UAW claimed these documents could not be made public because they were subject to “attorney-client privilege” because they “related to the [UAW] General Counsel’s preparation of its response to the Monitor’s February 2024 document request.” In a footnote, the monitor

explains that it offered the UAW a deal: It would exclude all such documents provided other documents related to potential corruption were handed over. “This offer was rejected,” the report reads, “as was the Monitor’s attempt to determine what other documents the Union contemplates withholding.”

Next, the UAW bureaucrats argued that the 120,000 documents were privileged as relating to “collective bargaining,” which forced the monitor to remind the court that “part of the government’s investigation leading up to the Consent Decree involved allegations of corrupt payments made by Fiat Chrysler to senior Union officials in order to undermine collective bargaining.”

Then, according to another footnote, the UAW’s lawyers “argued that the Monitor’s power is limited to *charging* misconduct, but does not extend to *investigating* suspected misconduct in aid of potential charges,” which would make it impossible to ever uncover any wrongdoing.

The UAW monitor, the courts and the Biden administration’s Department of Labor have worked assiduously to protect and revamp the bureaucracy to better control the rank and file.

Mack Trucks autoworker and socialist candidate for UAW president Will Lehman objected throughout the 2022 UAW presidential elections that the votes of rank-and-file members and retirees were being suppressed by grossly inadequate notice of the election, a refusal by the union to maintain accurate records, and a communication system skewed in favor of the entrenched bureaucracy. When Lehman filed a lawsuit to demand an extended voting schedule and adequate notice for the rank and file in November 2022, it was opposed by the monitor law firms (Jenner & Block and Crowell & Moring) and denied by US District Court Judge David Lawson.

As a result of this deliberate refusal to provide adequate notice, turnout in the first round of voting was only 9 percent, the lowest of any nationwide union election in American history. Both before and after the election, the monitor rejected Lehman’s formal complaints of violations of democratic election requirements by the bureaucracy, often after long and unjustified delays.

When Lehman appealed the monitor’s rejection of his complaints to the Biden administration’s Department of Labor, the department delayed a decision until the last possible moment before rejecting Lehman’s concerns on concocted procedural grounds. Lehman responded by filing a lawsuit against the Department of Labor, arguing that its decisions were arbitrary and capricious. That lawsuit, which is still pending before Judge Lawson, was fully argued and briefed as of December 2023. Lawson has not issued any

ruling, despite guidelines on the court website indicating that decisions are typically issued within six weeks after the case is submitted.

In a statement to the *World Socialist Web Site*, Lehman said:

“The revelations about the ongoing corruption within the Fain administration are proof that the bureaucracy cannot be reformed, it must be abolished. We, the rank and file, cannot put our faith in any figure within the bureaucracy. The bureaucracy is not going to put power back in our hands, nor will the courts, and we have to take it ourselves. We confront poverty wages, mass firings—including at Stellantis—and dangerous conditions at work. A strikebreaking judge has ordered University of California academic workers to halt their walkout to defend the free speech of protesting students, and on June 6 a 28-year-old UAW member named Daulton Simmers died when molten metal fell on him at Caterpillar’s foundry in Mapleton, Illinois. The same happened to workers like Steven Dierkes under Ray Curry; since Fain’s installation, things have only gotten worse.

“As for the ongoing investigation, we demand the public release of all the documents mentioned by the monitor in its investigation. The monitor says the UAW is illegally prohibiting release of 115,000 documents potentially related to corruption, collaboration with management and the misuse of dues? We have a right to that information, and there is no reason to keep it from us! The same goes for the over 2,000 documents the monitor says it *did* receive. That information must be given to the rank and file. The whole court ‘oversight’ and corporate monitorship of the UAW prove the process to be a total fraud. If there is going to be a change, we are going to have to make it ourselves.”



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