

# UAW contracts must be declared null and void

By Jerry White  
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There are growing demands among US workers at Fiat Chrysler, General Motors and Ford that labor agreements pushed through by the United Auto Workers (UAW) that are tied to corrupt relations with the auto companies be declared null and void.

On Tuesday, Monica Morgan, the wife of the late UAW vice president for Fiat Chrysler (FCA), General Holiefield, pleaded guilty to a felony charge of filing false tax returns and concealing more than \$200,000 in additional income in 2011. Morgan is the fourth defendant to plead guilty in the case, which has exposed only a fraction of the payoffs made to the UAW in return for its collusion in the destruction of autoworkers' jobs and living standards.

In a plea agreement last month, Alphons Iacobelli, FCA's chief labor negotiator between 2009 and early 2015, admitted that he and other executives paid Holiefield and other "senior UAW officials" more than \$1.5 million in bribes to "obtain benefits, concessions, and advantages for FCA in the negotiation, implementation, and administration" of union contracts.

The illegal payoffs were laundered through the UAW-Chrysler National Training Center, which received between \$13 million and \$31 million a year from FCA. From there, they were funneled to businesses and phony charities controlled by Holiefield and his wife, and to pay for credit card purchases by other UAW officials. Another apparent beneficiary of the scheme was a charity run by Holiefield's successor, Norwood Jewell, who oversaw negotiations with FCA in 2015.

Workers in the factories have rejected claims by UAW President Dennis Williams that the bribing of union officials—considered a "high value/high leverage" investment by the auto bosses—had no effect

on the labor agreements.

Jeep workers at the Toledo North Assembly Plant in Ohio have filed lawsuits seeking the return of their jobs and lost wages due to the deals signed by Holiefield. Michigan workers have filed a class action lawsuit demanding that the UAW repay hundreds of millions of dollars in union dues.

All of this is legitimate and necessary. However, workers cannot rely on the courts, let alone the US Justice Department, to defend their rights and class interests. The wrist-slap punishment for Morgan may well signal an intention to cut short the case against the UAW for fear that the exposure of pervasive corruption in the union is stoking a rebellion among autoworkers.

The corporate and political elite is well aware of the critical role played by the UAW in suppressing the class struggle over the last four decades. Concerned voices are being raised in the corporate media about the scandal undermining the "moral authority" of the UAW and the "solidarity" within its ranks.

In any case, the prosecution and removal of this or that union bureaucrat will not change the fundamental character of the UAW. The corruption revealed in this scandal is not an aberration, but expresses the very essence of the organization.

Those involved in such brazen corruption have risen to the heights of the UAW during a period when the very conception that workers have interests apart from and hostile to the capitalist owners has been purged from the organization.

Williams, Jewell, Holiefield, et al.—none have the slightest connection to the mass struggles of an earlier period. They have earned their livings by doing the bidding of corporate management and carrying out one betrayal of autoworkers after another. They sit on joint committees to boost productivity and profits, organize

joint golf outings, promote UAW-FCA this and UAW-GM or UAW-Ford that at auto shows, business conventions and meetings with investors.

The transformation of the UAW into an adjunct of corporate management is ultimately the product of profound economic changes in the 1970s and 1980s, above all the globalization of production and the decline of American capitalism. The UAW, like the other nationally based and pro-capitalist unions, was incapable of responding in any progressive fashion to these changes. Instead, these organizations opposed any resistance to the corporate offensive and transformed themselves into junior partners in the exploitation of the working class.

By the early 1980s, the UAW had officially adopted the corporatist program of labor-management “partnership.” Relying on the unions to suppress strikes and impose the dictates of US corporations, the ruling class lifted bans on corporate funding of unions, leading to the transfer over the next several decades of billions of dollars to joint training centers at Chrysler, Ford and GM and the accumulation of corporate shares and a multibillion-dollar retiree health care trust by the UAW.

This degeneration has not been limited to the UAW. A similar process has taken place in all the nationalist and pro-capitalist unions, in the US and internationally. Just this week, the German IG Metall (IGM) union called off strikes by hundreds of thousands of auto and other industrial workers and signed deals that will give corporations “flexibility” to increase working hours, while keeping raises at a minimum for workers who have suffered, like their American counterparts, more than a decade of stagnant wages. The IGM shut down the strikes to facilitate the formation of a grand coalition government of capitalist parties, including the union-aligned Social Democrats, which will impose austerity and military rearmament.

Writing about the old American Federation of Labor (AFL) in 1937, Leon Trotsky, the founder of the Fourth International, noted that the character of a trade union “is determined by its relationship to the distribution of national income.” Should the leaders of the AFL “defend the income of the bourgeoisie from attacks on the part of the workers; should they conduct a struggle against strikes, against the raising of wages, against help to the unemployed, then we would have an

organization of scabs, and not a trade union.”

Such, in fact, is the nature of the trade unions today. They are not workers’ organizations, but labor contractors in the service of the companies and the state. The corruption scandal gripping the UAW is an expression of this basic reality. It is not a question, therefore, of simply removing the offending individuals in an attempt to cure an otherwise healthy organization. The actions of these individuals are only the manifestation of the reactionary nature of the organization itself.

Autoworkers need to build new organizations, democratically controlled by rank-and-file workers and based on the methods of class struggle, not class collaboration. These organizations must oppose all efforts to subordinate the interests of the working class to the profit needs of big business and to government demands for “sacrifice” in the “national interest,” whether on the pretext of an economic downturn or to pursue the next war.

In every factory, workers should demand the nullification of the contracts and the restoration of all concessions handed over by the UAW. Workers should advance their own demands, including the abolition of two-tier wages, an across-the-board 25 percent wage increase, the full restoration of COLA, and the immediate promotion of part-time and temporary workers to full-time status with full wages and benefits.

Such a fight will raise the need for the international unity of the working class and the development of a powerful movement of the working class against capitalism, which subordinates the needs of workers around the world to the drive for corporate profit.

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