

"That was our money!" Autoworkers livid over UAW corruption scandal

By Shannon Jones
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As the September 15 contract deadline for 155,000 US autoworkers is fast approaching, the United Auto Workers has been wracked by reports of corruption reaching to the highest levels.

On Wednesday, a former top aide to UAW Vice President for Fiat Chrysler Cindy Estrada was indicted by federal prosecutors on charges of taking kickbacks of nearly \$2 million on UAW promotional merchandise. The illegal scheme goes back more than one decade and involved other, as yet unnamed, top union officials.

The indictment of former Estrada aide Michael Grimes follows the sentencing of former UAW Vice President for Fiat Chrysler Norwood Jewell, who walked away with a slap-on-the-wrist 15-month sentence after pleading guilty to taking illegal payments from management as part of a scheme to obtain company-friendly contract terms. Jewell negotiated the 2015 sellout contract that allowed the unlimited use of super-exploited temporary part-time workers.

A worker at Ford Kentucky truck wrote to the *WSWS Autoworker Newsletter* following the indictment of Grimes: "I'm over it, who cares, they're not being punished enough for anyone to care...What are the Feds going to do for us while giving the takers the lowest punishment? Absolutely nothing... Raised our union dues only to be f***ed over by the company while the union allows it to happen."

The exposure of rampant corruption in the top ranks of the UAW underscores the anti-worker character of this organization. While the UAW leadership has continually insisted that corruption is the work of only a few individuals, in fact it is endemic to the organization. For decades, the UAW has presided over the decimation of the jobs and living standards of autoworkers while fattening the union coffers with payments from management, both over and under the table.

Since contract talks begin in mid-July, both

management and the UAW have maintained a virtual news blackout.

A veteran worker at Jefferson North Assembly in Detroit said, "It's not a surprise to us that the union isn't saying anything about the negotiations. Everybody's thinking they are in bed with the company anyway. We have a bunch of young kids in here. The union does not call them down to have a meeting or have them read the contract and explain it to them.

"I got hired a couple decades ago, and there were times I went for a year or two years without even receiving a contract book. So this is an ongoing problem. And it's very evident in what goes on here every day. The union stewards ride around on the carts with the supervisors and go to each other's houses for parties. They're just too much in bed with each other.

"If you look at the corruption, you have to ask, 'Why were they running a store, then stealing the money from the store?' And that was our money for our education and our training! And you know that thing messes up the morale of the young kids because this scandal is all they know.

"I tell my steward don't do a damn thing, I'll take care of things myself. If you file a grievance, they are already in the office getting the company's side of things when you get there. And they tell you 'Well this is what the company says.' They give you the company's side and they have not even talked to you first!

"I just heard they are going to go after health benefits. Any form of raise these young people get is going to go right back for healthcare. They are going to try to detach them from healthcare altogether, which is what all the national healthcare talk is really all about.

"Capitalism has destroyed America. Capitalism runs the government in America. It's not the people who were running the country, it's the company. Capitalism does not work for the people.

Autoworkers in Canada are closely following the UAW contract negotiations and ongoing corruption scandal with an eye to national contract talks next year headed by the Unifor union. The GM Oshawa Assembly Plant is scheduled to be permanently shut down by the end of the year, affecting some 2,500 GM employees and a similar number of parts supplier workers at the complex. Meanwhile, Fiat Chrysler says that it will delay the announced elimination of the third shift at its Windsor Assembly Plant until the end of 2019. The move will impact some 1,500 workers.

A longtime Fiat Chrysler worker in Windsor told the *WSWS Autoworker Newsletter*, “Unifor will take the framework set by the UAW. They will pit one plant against the other. They have it all figured out. Whatever the UAW gets will affect us next year.”

He noted that former FCA chief negotiator Alphonso Iacobelli, a key figure in the corruption scandal, is a Windsor native. After leaving FCA, Iacobelli, who was convicted of bribing UAW officials, was hired by GM and led the 2016 auto negotiations with Unifor.

“There are pictures of [Iacobelli] with [former UAW Vice President] General Holiefield. You don’t use it on one side of the border and not the other. Why bribe the Americans and not the Canadians?” (Monica Morgan, the wife of the late General Holiefield, was the first to be convicted in relation to the UAW corruption scandal)

The worker pointed out that Unifor to date has said almost nothing about the corruption scandal exploding on the other side of the border, nor has it been widely reported on by the Canadian news media. “Unifor President Jerry Dias has not written about it. No one is saying anything. It is suspicious.

“Dias has said he thought Iacobelli was a stand up guy. Iacobelli’s family works at the WSIB [Workplace Safety and Insurance Board] here in Windsor.” He noted that WSIB was notorious for rejecting injury claims by autoworkers.

“Our local here at Windsor Assembly is run like a dictatorship.” He reported that Local 444 President Dave Cassidy “picked over 50 local people for appointed positions for life” without a membership vote. “They get cushy jobs and don’t answer to the membership but only to the president.”

Asked about the strategy advanced by the *WSWS Autoworker Newsletter* for uniting workers internationally, he added, “I totally agree with an international strategy.”

While news on the progress of contract talks is being

blacked out, autoworkers are in a militant and angry mood, amidst continued massive profits on the part of the auto companies. Threats of more job cuts and the danger of recession are being used as leverage for more concessions. Many workers have indicated they are ready for an all-out fight come September, regardless of what the UAW and management bring back from the negotiating table.

A General Motors worker in Texas wrote, “It’s really too soon to tell which way it will go, but no matter what the turnout, we are financially ready to strike if needed. We as union members have already sacrificed way too much within the years, while your bigger giant executives reap the PROFITS! The time is now to execute. We are long overdue especially on wage increases! And we need more vacation hours while we continue to work 6-7 days a week.”

A UAW retiree wrote, “The retirees that made General Motors, Ford and Chrysler; the union sells us out. They do not care about us, but they want to take the union dues out every month while we get nothing from the contracts. We worked for the money General Motors gave us. They did not give us anything. We worked for that, and we’re still getting nothing from the union and anybody else.”

As the pace of developments quickens, it is even more urgent for workers to intervene independently against both management and the UAW by forming workplace and factory committees. These committees must be guided by an international strategy. Preparations for strike action against the Detroit autoworkers must go hand in hand with efforts to win support from fellow workers in Canada, Mexico and around the globe.

The *WSWS Autoworker Newsletter* and the Socialist Equality Party encourage workers to read and discuss the statement, “US autoworkers on collision course with companies.” If you are interested in supporting this fight and learning more contact us today.

To contact the WSWS and the
Socialist Equality Party visit:

<http://www.wsws.org>