

Joe Ashton, UAW VP named in corruption scandal, had long history of selling out auto workers

By Jerry White
21 August 2019

The latest top United Auto Workers union official to be implicated in the ongoing corruption scandal is former UAW Vice President for General Motors Joe Ashton. According to the *Detroit News*, several sources with inside knowledge of the federal investigation have identified Joe Ashton as the anonymous “Union Official 1” who federal prosecutors say took \$550,000 in kickbacks in an illegal scheme involving training funds from the UAW-GM Human Resource Center in Detroit.

Ashton’s top aide Mike Grimes was named in a legal complaint, which was unsealed last week in federal court, charging him with wire fraud conspiracy and money laundering for receiving \$1.99 million in kickbacks from suppliers of jackets, watches, backpacks and other union-branded items. Grimes, Ashton and UAW Vice President Cindy Estrada—who is also under investigation by the Justice Department—all sat on the board of the joint UAW-GM facility when it approved the use of more than \$4 million in training funds to contract vendors to produce the items. It appears that Grimes is spilling the beans on his former bosses.

Ashton’s alleged crimes come as no surprise to those familiar with his record. A life-long UAW functionary who has been on the payroll of the UAW International staff for 28 years, Ashton is proof that the foulest elements rise to the top in this rotten organization.

Ashton joined the UAW in 1969, while working at ITE Circuit in Philadelphia. He worked his way up the ladder of the union bureaucracy and was brought onto the International Union staff in the mid-1980s, a period when the UAW was handing over massive concessions to the auto companies and colluding in the shutdown of hundreds of factories. This also coincided with the proliferation of various labor-management schemes, including joint training centers.

In 2003, Ashton became assistant director of UAW Region 9, which covers western and central New York, New Jersey and portions of Pennsylvania and then took over as regional director from 2006 to 2010. This was the period in which GM, Ford and Chrysler shut down their remaining plants on the East Coast of the United States and the UAW colluded with the

employers to strip Delphi (former GM parts) workers of their jobs and pensions and betrayed the bitter 2008 American Axle strike in western New York and Michigan. While assisting in the destruction of the jobs and livelihoods of thousands of UAW members, Ashton proved adept getting a few thousand dues paying members from the Atlantic City casinos. His services were rewarded with positions on New Jersey and Pennsylvania AFL-CIO executive councils and a position as a corporate director the Western New York Federal Bank, one of many corporate boards he would join.

In one particularly telling episode involving Ashton’s region, UAW President Bob King and secretary-treasurer Dennis Williams set themselves up as the two-person board of directors for the “International UAW Region 9 New York Training Initiative,” a non-profit funded by the New York Department of Labor tasked with training Perry’s Ice Cream workers on “new equipment and technology.” The state labor department paid the company nearly \$939,840 between 2010 and 2012 to the union-run “training initiative,” and the UAW paid Perry’s Ice Cream \$579,463 to train its own 127 workers. As Thomas Adams, a former Flint autoworker and long-time critic of the UAW’s corporatist schemes, wrote recently, “When Perry’s Ice Cream celebrated its 95th anniversary in 2013, the firm must have had the best-trained ice cream makers in the history of making ice cream.”

The former regional director also left several Ashtons on the Region 9 payroll, including Patrick Ashton, International Servicing Representative for Region 9 in New Jersey who made \$128,052 last year and Thomas Ashton, Region 9 Assistant Director, \$147,187. When this WWSW reporter called Region 9 to determine whether these were Joe Ashton’s sons, the person on the phone said she did not know.

In June 2010, UAW President Bob King selected Ashton to head the UAW-GM department, the year after the union had colluded with the Obama administration in the restructuring of GM and Chrysler. The union accepted historic concessions, including a 50 percent wage cut for newly hired “second-tier” workers, a six-year no-strike pledge, the elimination of the eight-hour day and more plant closings and mass layoffs. In

exchange, the UAW was handed control of a multi-billion retiree health care trust fund, largely paid in GM and Chrysler stocks.

One of his first acts as UAW-GM vice president was to work with UAW Region 3 Director Mo Davison to impose on contract on GM workers at the Indianapolis Stamping Plant that would have cut their wages in half in order to attract a new owner to the plant, which was being closed as part of the bankruptcy restructuring.

The UAW called a snap meeting of the Local 23 union on August 15, 2010 to browbeat the workers into accepting the sellout deal. However, when Ashton's enforcer Mike Grimes got up to speak, he was shouted down by angry workers and forced to flee the meeting. The workers defiantly defeated Ashton's repeated efforts to ram through the deal on behalf of Wall Street asset stripper Justin Norman. Fearing that this could spark a rebellion among rank-and-file workers with a new contract coming up in 2011, the UAW colluded in the shutdown of the factory.

Ashton and Grimes were all leading members of the 2011 UAW-GM Bargaining Committee, which signed a labor agreement providing no pay or pension increases to workers who had suffered a pay freeze since 2003—costing each worker \$30,000—despite record-setting corporate profits of \$7.8 billion. With opposition mounting, Ashton and other UAW bureaucrats said a rejection would only lead to an arbitrator imposing an even more concessionary contract, since the UAW had signed a pledge not to strike until 2015.

After pushing the sellout deal past 49,000 GM workers, Ashton boasted that “The UAW has shown that we are totally committed to helping the US auto companies succeed,” adding that he would “love to see” 40 percent of GM's workforce paid tier-two wages by the end of the contract because “that would mean we are adding new jobs.”

Ashton retired from the UAW vice presidency in 2014 to join the GM corporate board of directors as the representative of the multi-billion-dollar UAW Retiree Medical Benefits trust. At the time, GM Chairman Tim Solso praised him, saying, “Joe brings a wealth of knowledge from his work across many industries, especially his deep understanding how labor strategy can contribute to a company's success.”

Ashton's successor at the UAW-GM department Cindy Estrada and Grimes were leading members of the 2015 bargaining Committee, which violated the union's own statutes and pushed through deep concessions despite a “No” vote by GM skilled workers. The deal expanded the number of low-paid temporary and contract workers and gave a green light to the closing of five North American factories, including in Lordstown, Ohio, Oshawa, Canada and Detroit, Michigan.

In December 2017, Ashton announced he was resigning from GM's board, within weeks of being linked to a federal grand jury investigation into illegal payoffs to UAW officials.

The corruption of Ashton, Grimes & Co. is not the exception

to the rule, it expresses the essence of the UAW, which has spent the last four decades colluding with the auto corporations to destroy the gains won by autoworkers through generations of mass struggle.

Between the time Ashton first became an International UAW representative in 1986 to today, the number of UAW hourly workers at GM has fallen from 353,000 to 49,000, and the total number of Big Three UAW workers from 537,000 to 155,000. Between 1982 and 2000 GM spent \$3 billion on joint programs, with Ford and Chrysler paying out \$1.3 billion between 1996 and 1999 alone, according to UAW critic Thomas Adams. Since 2005, when the figures were first reported to the US Labor Department, the UAW has received \$387 million in “Joint Funds Reimbursements” from the auto companies.

When the UAW enters into “negotiations,” it is not to protect the wages, benefits and conditions of the workers it claims to represent but to determine what portion of the money the union helps management rob from workers will be funneled back into the bank accounts of the UAW.

The transformation of the UAW into a multi-billion-dollar business and cheap labor contractor is not simply the result of personal corruption, but the failure of the nationalist and pro-capitalist program of all the unions.

With less than one month to the expiration of the four year labor agreements for 155,000 GM, Ford and Fiat Chrysler workers, autoworkers must take the initiative to build rank-and-file factory committees, independent of the UAW, to take the conduct of the contract struggle into their own hands and prepare a national strike in the auto and auto parts industry to overturn all of UAW-backed concessions. Such a struggle must be based on a new strategy, above all the fight for the international unity of autoworkers against the global assault on jobs and living standards and the capitalist profit system.

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