

# UAW, federal prosecutors announce talks over corruption scandal

By Tom Hall  
17 June 2020

United Auto Workers (UAW) President Rory Gamble and US Attorney Matthew Schneider will begin talks over an agreement to avoid a federal takeover of the union, which is embroiled in a massive corruption scandal, the two men announced in a joint statement Monday. The talks are set to begin on June 30.

The ongoing corruption probe by federal investigators has already led to guilty pleas from 14 people, including Gamble's successor, Gary Jones, who pleaded guilty earlier this month on charges that he conspired to embezzle \$1.5 million in members' dues money for lavish entertainment expenditures for top union officials. Jones's own predecessor, Dennis Williams, who according to press reports is an unnamed co-conspirator in the Jones indictment, is also a target of the investigation.

According to a January report in the *Detroit News*, federal prosecutors are also looking into allegations that Gamble himself accepted kickbacks from a union apparel contractor, delivered at a Detroit strip club. This means that the talks between Gamble and Schneider will also have something of the character of a plea bargain for Gamble personally.

The federal probe has thoroughly exposed the UAW as a criminal syndicate, not a workers' organization. Contrary to endless claims by union spokesmen that the scandal involved only a "few bad apples," virtually the entire top leadership has either been indicted or implicated, including the most recent three union presidents. Two former vice presidents, Norwood Jewell and Joe Ashton, have pleaded guilty, and another, Cindy Estrada, has been implicated through a former top lieutenant, Michael Grimes. A fifth vice president, General Holifield, escaped indictment only because he died in 2015.

The probe has also exposed the UAW as a bought

tool of management, with companies paying millions of dollars in direct and indirect bribes, funneled through joint training centers operated by the company and the union, to keep union officials "fat, dumb and happy," in the words of one Fiat Chrysler executive. This, in fact, was the essential purpose of the joint training centers since they were set up in the early 1980s, which required a repeal by Congress of laws prohibiting company unions.

That being said, federal prosecutors have let off UAW officials with only wrist-slap sentences. For example, Norwood Jewell, who pleaded guilty to stealing union dues to pay for expensive liquor and extended stays at Palm Springs villas, was sentenced to only 15 months, to be served at a minimum security prison in Wisconsin known sarcastically as "The University." Jewell was released in May due to the coronavirus pandemic and allowed to serve his remaining sentence from home. Jones will serve less than five years in prison per sentencing guidelines, a term which will likely be greatly reduced in exchange for his cooperation with investigators.

In recent months, Schneider has refused in public statements to take federal receivership of the union off the table and has repeatedly expressed frustration with a lack of cooperation from the UAW. However, in the Monday's joint statement, Gamble declared his eagerness to meet with Schneider, declaring, "I firmly believe we both have the same goal."

That is certainly true. Whatever the friction between the US Attorney's office and the UAW, both share as their central aim the suppression of the rising tide of opposition among US autoworkers.

If the UAW ultimately avoids a federal takeover, the main criterion for the federal government will not be whether it makes substantive efforts towards "reform."

Rather, it will be that the UAW can demonstrate its ability to tamp down a growing mood of rebellion and re-establish some of its shattered authority among autoworkers. Any “reforms” that issue either from the talks or from a federal takeover would be purely cosmetic, aimed at providing the union with some credibility as a cover to allow it to continue to force through management’s dictates as it has for decades.

The priority of the Trump administration is the defense of corporate profits. In the context of the coronavirus pandemic, Trump has made clear his willingness to sacrifice countless lives by forcing a premature return to work as the virus continues to rip through the American population. In April, as the virus began to spread in meatpacking plants, Trump signed an executive order forcing processing centers to remain open.

As far as the federal government is concerned, the UAW’s collaboration with the auto companies keeping workers in the plants as long as possible at the start of the pandemic, and in restarting production last against overwhelming opposition from workers, is a mark in its favor. But the fact that workers, incensed at the UAW’s treachery, were able to temporarily break free from its stranglehold and carry out wildcat strikes, which shut production across North America for two months, was a mark against it.

The media has suggested that one of the principal “reform” proposals both sides will consider is the direct election of top UAW officials. The installation of hand-picked bureaucrats is no doubt thoroughly anti-democratic. However, the experience of the Teamsters union, which was forced to adopt direct elections during a federal takeover in the 1980s, proves that this will do nothing to change the fundamental character of the organization itself.

Neither side in the upcoming talks has the least dedication to democratic rights. At least 51 people face federal charges for taking part in the nationwide demonstrations against police brutality, and Trump himself attempted to seize the opportunity to carry out a de-facto coup against the US Constitution, which failed only because of the present unwillingness of top military officers. For his part, Gamble issued a statement earlier this month shedding crocodile tears over the death of George Floyd while backing the police as “truly untold heroes.”

The fact that betrayals have been a universal feature of unions throughout the world, including Unifor in Canada, the CTM in Mexico, IG Metal I in Germany and others, demonstrates that they are the product, not of individual bureaucratic factions, but of the pro-capitalist, nationalist orientation of the unions themselves.

Instead, workers should move to break permanently with the UAW and form their own organizations, rank-and-file committees, based not on corrupt corporatist relations with the companies but on the mobilization of the strength of the working class all over the world.

To contact the WSWs and the  
Socialist Equality Party visit:

<http://www.wsws.org>