

USA: Bob King and the “New” UAW

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LAST JUNE THE 35th UAW Constitutional Convention in Detroit elected new national officers headed by Bob King. Even before his election, King had been heralded in the media as desirous of transforming the UAW into an activist union. He supported the US Social Forum, co-sponsored the August 28th Detroit march for “Jobs, Justice and Peace” and encouraged UAW participation in the October 2nd “One Nation Working Together” demonstration in Washington DC. Clearly King’s encouragement produced results: My own UAW region sent 11 buses to the October 2nd rally.

Since King’s election, however, two struggles have opened up within the union that have captured some media attention. The first is at a GM stamping plant in Indianapolis, Indiana.

Members of UAW Local 23 have defied their International’s recommendation to cut their wages in half and gut their contract.* Rank-and-file activists in other locals are rallying to support them, although when Local 23 members call other UAW local offices for help they are told that UAW officials have warned them “not to get involved.”

The second is at the GM plant in Lake Orion, Michigan, where at UAW Local 5960’s October meeting the shop chair announced that 40% of the current work force was going to take a 50% wage cut when they returned from layoff — or would have to transfer to another plant or retire. Returning workers with up to 11 years seniority would be making \$14 an hour, although they would keep their benefits.

The kicker was that there would be no vote on whether to accept this “deal.” The UAW International claimed that the membership pre-approved these terms when the agreement they ratified at the time of the bailout stated that there would be 160,000 units of small car production at one existing GM location — which could have been Jaynesville, WI, Spring Hill, TN or Lake Orion — on the condition that the parties would “arrive at innovative ways to staff these operations.”

These two events say a lot about the UAW today.

The “New” UAW

As soon as he was elected president, Bob King chose to march the delegates over to Chase Bank, where they demonstrated against the bank’s foreclosure policies. He informed Chase the UAW will pull out its accounts if the bank does not place a two-year freeze on foreclosures in Michigan.

During an action at the US Social Forum, King was one of two dozen prepared to sit down in front of the bank. Their demand was that Chase officials use their influence with tobacco company RJ Reynolds to arrange a meeting with the Farm Labor Organizing Committee, which represents field workers in North Carolina.

King continues to actively support FLOC's campaign. Based on these events, the media are talking about the "new" UAW.

Yet how quickly the media forgets! Last fall this same Bob King, as UAW Vice President over the UAW Ford Department, was shouted down by autoworkers at a plant in the Ford Rouge complex. He was attempting to convince them that they should vote to suspend their right to strike until 2015.

When the rejection of the contract was announced November 1, it marked the first time in UAW history that, at a national level, autoworkers ignored their leadership's recommendation. Some locals voted No by 92%; overall 70% of the workers opposed suspending their right to strike and freezing new-hire pay (now at \$14 an hour).

One unusual aspect of the Ford workers' solid No vote was the number of leaflets that appeared on the shop floor. Most were from rank-and-file members, but even a few local officers dared to defy the UAW hierarchy and counseled a No vote. Mary Springowksi, an alternate committeeperson at the Ohio Assembly plant, wrote "The day is over when the International said 'jump' and the locals said 'how high?'"

Background of the UAW's Decline

The UAW once represented more than 1.5 million workers, with those working in the parts plants earning a wage within pennies of their counterparts at assembly plants. Today the union has a total of 355,000 workers, including nurses, state workers, graduate student employees and casino workers.

Workers in the auto parts industry earn anywhere from little more than the minimum wage to \$19-20 an hour. Meanwhile non-unionized workers at the Georgetown Toyota plant are earning more in wages and bonuses than the average Big Three assembly worker. The UAW's failure to organize the transplants — the growing sector of the auto industry — is a stone around the necks of all unionized workers. But how could the union's concessionary stance attract non-unionized workers?

The response of the UAW officials at the national level — all members of an Administrative Caucus that has controlled the union apparatus for more than 60 years — has been to accept concessions as the price to pay in order to keep the corporations profitable. King defends the no-strike clause, saying that the Ford workers didn't "understand why it was necessary."

As King explained in a Detroit Free Press interview, the UAW had already agreed to suspend the right to strike at GM and Chrysler and once concessions have been made "we are not going to put one company at a disadvantage to the other companies. That wouldn't be right. That wouldn't be fair." Instead of using the higher standards at one corporation to bring up the inferior conditions at another, the King strategy is to be "fair" to all the employers.

King understands that autoworkers have made "huge sacrifices" including diverting Cost-of-Living Adjustments (COLA) to shore up their health care benefits, combining skilled trade classifications, wage freezes and eliminating the jobs bank that softened the blow against layoffs.

When the Obama administration bailed out GM and Chrysler, the UAW did not campaign against the

concessions that were imposed on the work force; in fact King boasts that the corporations could not have gotten the money without the UAW. (See "How Bob King wants to build a new UAW," *Detroit Free Press*, 9/23/10)

It used to be that higher-paid unionized workers with benefits "set the standard" for the U.S. working class as a whole. But over the last 30 years, with unions agreeing to concessions, the rise of trade agreements that allow corporations to pit workers against each other globally, and the creation of low-wage jobs in both industrial and service sectors, it is the lower-wage jobs that are setting the standard.

Currently unionization in the private sector stands at only 7%, but even there permanent lower-tier wages and benefits discriminate against the new hires. At Ford, GM and Chrysler, the use of long-term temporary workers is now a reality.

Asked what he would say if he got two minutes with non-unionized workers at a BMW plant in South Carolina, King's answer is to have them look at the success of General Motors where "We are building the highest quality, we're building with the greatest productivity, and we are doing it because of membership involvement. We have a real voice...."

Going Backward

The "new" UAW looks suspiciously like the UAW of the past 30 years, where the union's goal is to "cooperatively" problem solve with management as if that defends workers' rights.

The UAW's justification for the "landmark" agreement at the Lake Orion plant is that it allows GM to produce a "profitable" subcompact car at a U.S. assembly plant, where the Chevrolet Aveo and the Buick compact, the Verano, will start up next year.

Manufacturing consultant Ron Harbour estimates that cutting 40% of the permanent workers' wages will save GM \$112 per car. (See David Barkholz, "Small cars, smaller wages: A precedent?" in *Automotive News*, 10/11/10) Yet the auto industry acknowledges that labor costs represent less than 10% of their total cost.

What will amount to a "modest production-cost savings" for the company is a disaster for the Lake Orion workers. And given the variety of excuses auto companies come up with in order to slash wages and benefits, everyone knows this will not be the "exception" some claim.

On the 75th anniversary of the UAW's founding, the UAW Constitutional Convention was more tightly controlled than ever. While several groupings of rank-and-file activists held a demonstration welcoming delegates and encouraging a discussion about the union's direction, police and UAW security was on the watch.

Al Benchich, former president of UAW Local 909 and a delegate to the convention, was talking to friends near the entrance. He found himself handcuffed by a Detroit police officer because he had leaflets under his arm, and was released only when a senior officer intervened. UAW Security demanded that Wendy Thompson, an alternate delegate and former president of UAW Local 235, open her briefcase for inspection as she entered the hall. Since others were not stopped and searched, she refused and demanded to see the head of security, who begrudgingly allowed her to enter.

One reason for the tighter security was that Gary Walkowicz, bargaining committeeperson at the Ford's Dearborn Truck plant, decided to run for president as a way to bring issues to the floor. He

had been central to organizing the opposition to reopening the Ford contract. In order to cast their ballot for Walkowicz, delegates had to walk through a gauntlet of Administration Caucus supporters who were primed to intimidate them as they approached the only microphone. Outgoing president Ron Gettelfinger informed the press that this procedure was “democratic.”

While preaching the need for concessions in the plants, the International officers nonetheless seemed to have no qualms about asking for a raise in their salaries. The convention narrowly voted to do so.

At the time of the last GM contract, the UAW International agreed to the closing of several plants including the 80-year-old metal stamping plant in Indianapolis. About 630 are still working at the sprawling plant, which produces spare parts for GM. Although the plant is slated to be shut in 2011, GM has not issued “closed plant” status for the Indianapolis facility, which would facilitate workers’ transfers to other plants.

The Indianapolis Stamping Struggle

Early in 2010 GM received a bid to sell its Indianapolis plant to JD Norman Industries. JD Norman describes itself as a “diversified manufacturer of metal components and systems with operations in the United States and Mexico.” Since it was established six years ago it has built itself almost entirely through acquiring six U.S. companies and one in Mexico. The GM-UAW contract specifies that whoever purchases a plant must abide by the conditions set up during the life of the contract. This is known as a “successor clause.”

Justin Norman, president and CEO, did not want to assume the successor clause and asked members of UAW Local 23 to vote a reopener on their contract. Last May the union voted No by a lopsided 384 to 22. The majority of workers are longtime GM employees. In fact many are GM “gypsies,” who have been forced to relocate from plant to plant as cutbacks and shutdowns spread like dominoes. Their vote No meant that they would prefer to endure one more transfer to working under a gutted contract.

While the UAW Constitution states that the local membership must consent to the union negotiating with the corporation, UAW Region 3 director Mo Davison and the UAW Vice President in charge of the GM Department, Joe Ashton, without the knowledge of the local bargaining committee, negotiated one similar to the one voted down and called for Local 23 to hold an informational meeting on August 15, with a vote to occur the following day.

When the officials took the stage, the membership booed; finally the UAW officers left and no vote was held.

But on August 17 Justin Norman took out a full-page ad in the Indianapolis Star, addressed to the employees and families of the plant. The ad was designed to break the solidarity the membership forged, urging them to reopen the contract.

Norman then came into town and invited members and their families to meet with him at the Lucas Oil Stadium. In exchange for an inferior contract all Norman had to offer was lump-sum payments of \$25,000-50,000 over a two-year period. Approximately 50 members and their families attended, but according to the Indianapolis Star most weren’t persuaded.

Norman needed a Yes vote in order to buy the plant and ditch the successor clause. Not only did he need the workers’ skills in operating the plant, but he couldn’t run the plant non-union because the contract prohibits GM from outsourcing work to a non-union business.

Local 23 members realized that if they were to vote for an inferior contract, it would become a battering ram directed against the other stamping plants. It would become the “normal” wage for all stamping plant workers. This is in violation of the UAW Constitution, which says the union will act to protect the better contracts and not take action to encourage their infringement by lesser agreements (see Article 19 Section 6 of the UAW Constitution).

Although Local 23 members stopped the vote from taking place, Norman made it clear he wasn’t giving up — and unfortunately Mo Davison and the UAW GM Department devised another alternative.

On September 14, UAW Region 3 Director Mo Davison announced that the American Arbitration Association would conduct a mail-in vote. This practice is unheard of in UAW auto plants, where elections supervised by a locally elected committee are held at either several locations within the plant and/or at the union hall.

Davison then stationed International representatives in the plant (not the union hall!) to answer questions about the contract on September 20. In response, Local 23’s Election Committee put out a leaflet within the plant expressing their unanimous decision that the procedure did not meet the standards in accordance with Local 23 Bylaws.

Local members understood, however, that if they boycotted, a few Yes votes might win. Instead they organized a vote by shifts at the union hall on Thursday, September 23. With a video camera recording the event, members brought in their ballots and voted.

Each was given a consecutively numbered button that they pinned on their shirts. Then each held their marked ballot just below their face and addressed the video camera, stating their name and how they were voting. There were over 400 recorded votes before the batch was bagged and delivered to the post office.

A newly formed Local 23 Solidarity Committee organized a rally for that Saturday, September 25 at the UAW Region 3 Headquarters. It was attended by 200 autoworkers, their families and supporters.

Many Local 23 members proudly wore their numbered buttons. While the media had picked up on the idea that Local 23 workers “don’t care” about keeping the plant open, the very first speaker, Wendy Thompson, pointed out how valuable their product was and demanded that GM keep the plant open. She asked, “If JD Norman, with no proven track record, can profitably run the plant, why can’t GM keep the plant running?”

Other speakers included Greg Clarke, Shop Chair, Local 23; Yvonne Gomillion, retired Detroit GM worker and mother of Local 23 member Roy Gomillion; Frank Hammer, former Local 909 president and International representative; Al Benchich, former Local 909 president and shop chair; Gregg Shotwell, co-founder of Soldiers of Solidarity; and Milton Fisk, from the Bloomington area Jobs with Justice.

The just-founded Solidarity Committee plans on monthly activity. No one expects this vote will end the fight — although GM seems to be moving to close the plant and JD Norman is no longer around.

The call for the September 25 rally summarized the situation:

“If UAW Local 23 — GM Indianapolis Stamping — is forced to break the UAW GM master agreement and accept a concession contract, it will immediately set up unfair competition between Local 23 and other UAW stamping plants at GM, Ford, and Chrysler.

“The Indianapolis GM Stamping Plant has 2.1 million sq. ft. ready to be filled with work outsourced

from other UAW plants.

"The contract at UAW Local 23 will set the standard for all Big 3 negotiations in 2011.

"Stand with us in our demand that the UAW International stop pressuring UAW Locals to break master agreements and violate the UAW Constitution by undercutting contracts at other UAW local unions.

"Honor Solidarity

"Honor Master Agreements

"Honor Our Proud UAW Legacy."

Standing in Solidarity

Earlier an Open Letter to Local 23 UAW Sisters and Brothers, signed by 50 former and current UAW officials, was distributed in the plant and to the press. The letter concludes:

"If the situation is so dire, why aren't those in power leading by example? Are GM execs willing to take a 50% pay cut? Is JD Norman saying he and his managers will take a 50% cut in pay if they buy the plant? The answer is obvious to us. No, they're not. They want you to. What we have seen in the last 40 years is a growing disparity between the rich and the rest of us. Those at the top cannot continue to get wealthier unless the rest of us give up more. And that is what they want us to do.

"That is why we stand in solidarity with you in this struggle. A line must be drawn. If you give in, it will be used to whipsaw other plants, especially GM Stamping Plants, into taking equal or greater concessions. Suppliers and other businesses will pressure their employees to take cuts in the never-ending "race to the bottom." If you stand strong, it will help everyone.

"It appears to us that you have made your wishes clear. In our democratic union, the wishes of the majority must be respected. You have our deepest respect." [\[1\]](#)

On Monday, September 27 the American Arbitration Association announced that 457 had voted no, 96 had voted yes, one envelope was empty and six were challenged. Will the International put its power behind members who have made a clear choice?

Can the membership victory in turning down concessions at Ford become a turning point? Can a Local of 630 GM workers who stick together become an example? These small victories happened because of the solidarity that was forged in the course of discussion over strategy, but scandalously the regional and International officers were on the other side.

When I participated in the Indianapolis rally I was struck by how the membership stood together — Black and white, temporaries with no right to transfer alongside longtime "gypsies," men and women, local union officials and shopfloor workers. All seemed prepared to go the long distance.

These are the elements we need to build a militant alternative. We won't necessarily win all our battles, but with a clear strategy and our eyes wide open we can begin the climb out of the hole concessions have dug us into over the years. By agreeing that any corporation's "profitability" is foremost, the union disarms itself.

First the corporations said parts workers were being overpaid, and the UAW agreed, then it was new workers, and the union went along, then they said workers who didn't create value (janitors, material handling, etc.) shouldn't earn assembly wages and those jobs are no longer within the bargaining unit. Now GM says without wage cuts it can't produce a small car profitably. GM and the

UAW have agreed that eventually Lake Orion will be a two-tier plant. These precedents will be generalized.

On October 16 rank-and-file workers from Lake Orion and supporters, organized via email lists and websites, demonstrated in front of the closed gates at Solidarity House, the UAW headquarters. They demanded the right to read and vote on all contracts, and opposed two-tier agreements.

Instead of imposing concessions, the UAW ought to be discussing what needs to be produced. If private industry can't design and build what society needs "profitably" — especially a company in which the federal government has a controlling 60% stake — then the government can assist worker/community planning and get it done.

P.S.

* From Against the Current, November/December 2010, No. 149.

Footnotes

[1] For full text, see end of "UAW Forces Members to Vote on Cutting Pay in Half," on the Labor Notes blog,
<http://www.labornotes.org/blogs/2010/09/end-run-indy-uaw-forces-members-vote-cutting-pay-half>.