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AFTERMATH OF THE 1967 U.A.W. STRIKE

SELLOUT AND INSURGENCY IN THE AUTO INDUSTRY

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Aftermath of the UAW Strike

by Walter Linder

At this writing (Jan. 18) the struggle of the auto workers in their current contract dispute with the auto billionaires is virtually over, except for the probability of local strikes at General Motors in January and February. Ford and Chrysler have settled nationally and locally, and a nation-wide agreement has been reached with GM. Only walk-outs over local issues at GM remain as the last hurdle to be cleared by the bosses and the Reuther machine in their parallel drives to "keep the workers in their place."

Nevertheless, as with many workers' struggles occurring recently, the 1967-68 contract fight between the United Auto Workers and the Big Three (Ford, Chrysler, General Motors) contains important lessons for all workers, especially in light of the UAW's history. Before discussing some of these lessons, however, an examination of the settlements is in order.

FORD

As indicated in the last issue of Progressive Labor (Nov.-Dec.), the strategy of Henry Ford and Walter Reuther was designed to sap the strength of the Ford workers and force them to settle for a contract far inferior to the one they demanded—and needed. Back in August there was much hoopla about Reuther's "revolutionary" goal: a "guaranteed annual wage for blue-collar workers." It was being said that "Walter wouldn't sign a contract without a breakthrough on this." The result, however, is not only that this "guarantee" is the least

costly section of the contract for Ford, but that it may well provide less than the workers had before in supplemental unemployment benefits.

The same is true of other demands: the drive against subcontracting of work (which was causing hundreds of layoffs at many plants) was almost completely abandoned; wages were increased at a rate which may barely keep pace with inflation; the cost-of-living "escalator" clause will lessen, rather than increase, a worker's ability to keep up with skyrocketing prices; and the fight against the daily harassment of "local" conditions (speed-up, compulsory overtime, arbitrary firings, unsafe company practices, etc.) was sabotaged once again by that "social dynamo," Walter Reuther.

The highly-touted "guaranteed annual wage" (the "must" demand, according to Reuther) turned out to be nothing more than an "increase" in the old supplemental unemployment benefits (S.U.B.). "Increase" is used advisedly because under the old plan all workers with at least one year's seniority received 75% to 80% of their net pay, including unemployment insurance, when laid off. Under the new plan, workers with seven years seniority (possibly less than half of all Ford workers) will receive 92% of their take-home pay when laid off, up to a year, while workers with one to two years' seniority will receive the same benefit for three months. Since Ford workers are laid off according to seniority, before those with seven years' employment can be laid off at least half of Ford's 160,000 workers would have to go. This could only happen in the event of a major economic depression; and since benefits are paid from a fund based on total payroll, such mass layoffs would result in total depletion of the fund.

Obviously, the cost to the company is negligible, as the following report from the Wall Street Journal (Oct. 23) indicates:

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"Auto makers said neither the improved benefits nor the longer periods of coverage are costly items, since they would be financed out of the existing supplemental unemployment benefits fund. The auto companies currently contribute 5 cents an hour per worker to the fund until it reaches the maximum levels. After it reaches maximum funding, the nickel goes into another fund that finances a Christmas bonus. Under the proposed contract, the Christmas bonus would be dropped and auto makers would stop making payments after reaching maximum funding. But if the fund shrank, they would have to replenish it at the rate of 6 cents or 7 cents an hour, depending on how low it was." (My emphasis—W.L.)

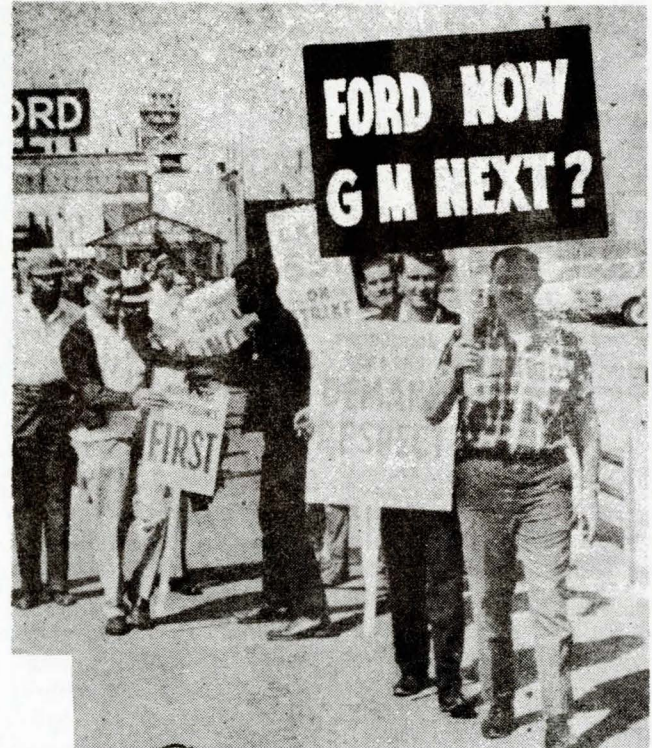
This means that the most this phony guaranteed annual wage could cost the bosses is one to two cents an hour. The total cost actually would be less, since for the fund to shrink (causing the rate to go up by a penny or two an hour), tens of thousands would have to be laid off; and if that happened, the "6 or 7 cents an hour" would be paid into the fund based on a drastically reduced amount of hourly employees. This is how Reuther conspires to help the bosses get away with murder in the name of "advance." Incidentally, this contract provision won't become effective until Feb. 8, 1968. Though Ford workers may receive their Christmas bonus this year—based on a full S.U.B. fund—they won't next year. They will discover that the company no longer pays into the additional Christmas fund when the S.U.B. fund is full. Thus, the company gets away with paying less money under the new contract than they had to pay under the old one.

The "fantastic" wage increase of from 40 to 85 cents an hour over the three-year contract actually turns out to be barely a nickel an hour in real wages—and possibly no real wage increase at all! These high-jinks were accomplished in the following manner:

Wages will go up by 20¢ an hour the first year, and an average of 11¢ (skilled workers will get an extra 30¢) an hour in each of the next two years. (WSJ, Oct. 23) This is a 42¢ total for 80% of the workers. However, the old cost-of-living clause was virtually abandoned; there will be NO adjustment in the first year. In the next two years, the clause could bring in from 3¢ to 8¢ each year, a maximum of 16¢ over the next three years. Added to the 42¢ in wages, this amounts to 58¢ an hour over the life of the contract, or \$23.20 a week—GROSS PAY INCREASE. If 25% is deducted from that for taxes—federal, state, city and sales—the net increase becomes \$17.40. However, if prices continue to rise at their present rate of nearly 4% a year, an auto worker earning \$7,000 a year (far less than the government's minimum figure for supporting a family of four) will need another \$15.20 a week to pay the price increases. That leaves him with a NET WAGE GAIN IN REAL WAGES of \$2.20 a week—or 5.5¢ an hour

based on a 40-hour week. And if Johnson's 10% surcharge tax goes through (to pay for the U.S. war of aggression in Vietnam), even this nickel an hour will be wiped out! In contrast, Ford raised prices in an amount equal to an extra \$320,000,000 a year, which comes to 60¢ per hour per worker and that's just for the 1968 model year.

Meanwhile, auto workers will be working harder than ever on the assembly lines to keep up with the inevitable speed-up that Ford will institute; whatever increases were granted will



Ford workers picket

come out of the hides of the workers. Compulsory overtime is still the rule. Workers will still be subject to suspensions and firings if they refuse to bend to Ford's back-breaking rules. Outside contractors will still be able to perform work normally done by Ford workers. (The only "limitation" to the subcontracting is that the outside contractor must use his own equipment, not Ford's.) And, finally, the demand for wage equality for Canadian Ford workers was scrapped. This is particularly important since the free trade agreement of the U.S. and Canadian governments allows cars manufactured in one country to be transported to, and sold in, the other country without any import-export duties. Since Canadian Ford employees earn about 55¢ less per hour than their U.S. brothers, when the latter get too "uppity"

all the bosses have to do is lay off in the U.S. and hire—at the lower wage rates—in Canada, eventually shipping the cars for sale in the U.S. No clearer reason for international unity between the workers of the two countries is needed than this issue of wage parity. U.S. Ford workers, to protect their own jobs, must fight for equal wages for their Canadian brothers.

The initial strategy of Ford and Reuther made this settlement almost inevitable. The UAW president picked Ford as the "target" company to lay the basis for follow-up contracts at



Six-mile solidarity march by Belvedere (Ill.) wildcatting strikers

Chrysler and GM. After hinting that local demands were to be included in the national bargaining, Reuther abandoned the idea; Ford workers would be given a contract to approve, and then forced to strike over local conditions by themselves. As each plant settled, it would go back to work, thereby, in effect, scabbing on those who were still out. And that is precisely what happened.

Ford was preparing for a longer-than-usual strike and said so. When the agreement was produced after seven weeks, Reuther, in effect, told the workers to approve it or rot on the picket lines. Demonstrations labeling the deal a sellout broke out at UAW headquarters in Detroit, but the Reuther machine quickly extinguished this unorganized opposition and pushed through ratification of the national contract.

Having already been out for nearly two months, most strikers were too exhausted to walk out again over local working conditions;

other plants were going back into production and undercutting them. Despite these obstacles, the last Ford plant didn't go back until Nov. 11, 17 days after the national contract had been ratified. As one rank-and-file worker said: "At our plant the local leaders are as bad as the national leaders. The local demands were so weak that the company agreed to almost all of them in the first week of the strike." Others pointed out that they couldn't very well stay out on strike once Reuther had blocked any increase in weekly strike benefits after raising strike fund dues: "It made us feel that in another two months we'd be broke and Reuther wouldn't have gotten us a penny more." Many felt that "something was better than nothing" and that they had to take it to keep up the payments on their debts and maintain their families, without any realistic alternative in sight.

CHRYSLER

With the Ford workers established as "fall guys," and with the clear understanding that Chrysler workers could get a similar marvelous contract without seven payless weeks of striking, Reuther moved his sellout circus on to the smallest of the Big Three. Here, national agreement was reached on Nov. 8th, just at the strike "deadline." But the degree of dissatisfaction of Chrysler workers was indicated by the fact that, in the teeth of the Reuther agreement, wildcat strikes by "rebellious UAW locals...brought the company's output to a standstill." (WSJ, Nov. 13)

Reuther ordered them back to work, calling them "irresponsible" and charging the rank-and-file with "violating" the union constitution. He said a ratification date couldn't be set until workers returned to the plants. At that point 24 of 60 locals were out on local demands. This included 600 transportation workers in Detroit (who haul parts between Chrysler plants)—which tied up the company in that whole area—and the stamping plant at Sterling Township, Michigan, vital to the entire Chrysler company. Here, Reuther sent in the UAW regional director to take charge of Local 1284's meetings. When that wasn't enough, he dispatched Douglas Fraser, head of the UAW Chrysler division, to personally direct the move to get the workers back. At a meeting on Nov. 13, "he and other UAW leaders were booed and jeered" by the rank-and-file. (WSJ, Nov. 15) The next morning Fraser was on hand at the plant gates to lead the workers into the plant.

On Nov. 27, 19 days after a national agreement had been signed, 18 locals still had not

settled. Nearly half (45%) of the skilled workers, and 30% of the production workers, had voted against the national contract. As late as Dec. 4, Chrysler (and Reuther) still faced strikes at the Indianapolis electrical plant, and at Twinsburg, Ohio where a majority of all the workers had voted against Reuther's sellout. Fighting the Reuther-Chrysler steamroller in the only ways they could devise, wildcatting strikers at the Belvedere, Illinois plant organized a six-mile solidarity march through the city. Black and white workers marched behind the banner, "United We Stand, Divided We Fall." These were the "violators" of the constitution Reuther was snarling about. But gradually the Reuther policy of "Divided We Stand, and Fall" ground down Chrysler workers. The more open rebellion by these workers (as compared to Ford's, who had been exhausted by the 7-week strike) was put down by a more open strike-breaking betrayal by Reuther's forces. Yet, as late as January 8, 4,000 Chrysler workers struck its huge St. Louis assembly plant, a walk-out in its second week at this writing. This was accompanied by a week-long strike at its Newark, Dela. facility.

GENERAL MOTORS

While all this was going on at Ford and Chrysler, General Motors, the giant of the industry, quietly went about the business of building up a huge backlog of cars. Seeing this, GM workers took matters into their own hands, walking out in individual plants. But before the situation got out of hand, Reuther moved in and staged a series of "controlled" quickie strikes. He authorized workers to stop work for an amount of hours equal to the amount of overtime GM was ordering. While seemingly a move against the GM stockpile maneuver, one Reuther aide confided to a Wall Street Journal reporter that it was designed "partly to let militant workers blow off steam." (WSJ, Nov. 22) But the steam was expanding; the Southgate, California plant was shut down for virtually the entire third week in November, while other Chevrolet assembly and Fisher Body plants were closing all over the country.

And GM workers had plenty to "blow off steam" about. They had put forward 19,000 unresolved local issues throughout the huge GM empire. After seeing what happened at Ford and Chrysler, GM workers were viewing with jaundiced eyes a UAW vice-president's statement that the union was "prepared to strike" for

more representation for workers, more specific grievance and disciplinary procedures, and for a slowdown in "erosion of bargaining units" due to re-classification and new machinery.

But, amid all this big talk, Reuther signed an agreement on Dec. 15 which did little more than repeat the Ford money terms, allow for arbitration on subcontracting and other sore points, and give committeemen somewhat more company-paid time to handle grievances.

Behind this settlement lay a new wrinkle in Reuther's strategy to immobilize any rank-and-file opposition to his steamroller. Instead of coupling strike deadlines on Local issues at each plant with the deadline for the national contract (as has been done in the past and was the case with Ford and Chrysler), bargaining on both levels were really divided; the national deadline became Dec. 14 while the strike targets for the individual plant issues were shoved off to the end of January or the beginning of February.

"A key advantage of this bargaining ploy," said the Wall Street Journal (Dec. 18), "was that it effectively separated national and local contract bargaining and avoided the 'shambles' of earlier rounds of negotiations where locals struck over their contracts even though a national pact was reached before the strike deadline." Thus, the maneuver short-circuited the only way that locals had to express themselves in even approaching the possibility of a nationwide strike (by individual locals simultaneously) at the close of a national settlement.

To make matters worse, when locals do get the authorization to strike for their local demands, they will not be allowed to do it at the same time (unless they take matters into their own hands). Again, as the Wall Street Journal reports in the above-mentioned article:

...the union is expected to set a series of local strike deadlines late in January or early February, rather than a single deadline for all the locals.

Although GM will be faced with the possibility of a national closedown over local strikes at certain key plants, it is expected that both the company and the union will try to head off troubles. If the union doesn't confront GM with a bunch of deadlines on any one date, it will ease the pressure. (My emphasis—W.L.)

So now it's quite out in the open; the job of the Reuther leadership is to "ease the pressure" on, and "head off troubles" for, poor ol' GM, prevent serious unity between locals on some of the gut, in-plant issues (17,500 remain to be negotiated), and thus weaken the locals' bargaining position IN ADVANCE, since, naturally, GM is as aware of the strategy as anyone else (and can now count on it). So proud of this new strategy for sellout is Walter Reuther that he told a press conference, "I think other companies and unions should look at this procedure." (Wall Street

Journal. Dec. 18)

It seems there is no limit to which the labor lieutenants of the bosses will go in their aim of protecting their vested interests, while helping the companies sabotage the interests of the rank-and-file.

By separating the national and local strike deadlines at GM, and then dividing up the local deadlines, Reuther is trying to insure that GM workers who still want to fight militantly for their demands will really have to do it all alone and rot on the picket lines while their brothers are working at other plants (in effect, scabbing).

Despite this new obstacle, workers at the key foundry plants in Saginaw, Mich. and Defiance, Ohio struck for better working conditions on Jan. 16 and 17—for wash-up time, company-paid protective clothing for workers in the hot, dusty, grimy foundry, etc. But under Reuther's new divide-to-ease-the-pressure policy, GM was using these strikes to its own advantage. That is, having over-produced in anticipation of the possibility of a national strike, it now realized that isolated and individual walk-outs could be allowed to stretch out for a while without serious bargaining because they "may help solve inventory problems that appear to be developing in the industry." (WSJ, January 17) In fact, while GM was warning that "unless these strikes are resolved promptly, other General Motors operations will be affected in the very near future," (WSJ, January 18) at the same time the charge was made that GM forced these strikes after most locals had settled. The Company's ability to allow, encourage and provoke this to happen was a direct outgrowth of Reuther's new "strategy" of denying locals a common strike date and separating local issues from the national contract settlement.

It is apparent that GM workers have yet to organize themselves to be able to effectively defy the company-Reuther gang-up.

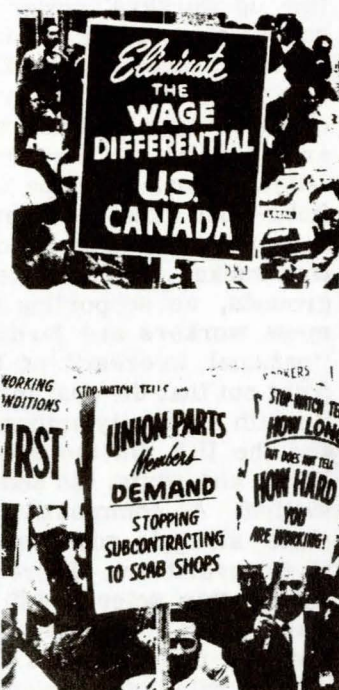
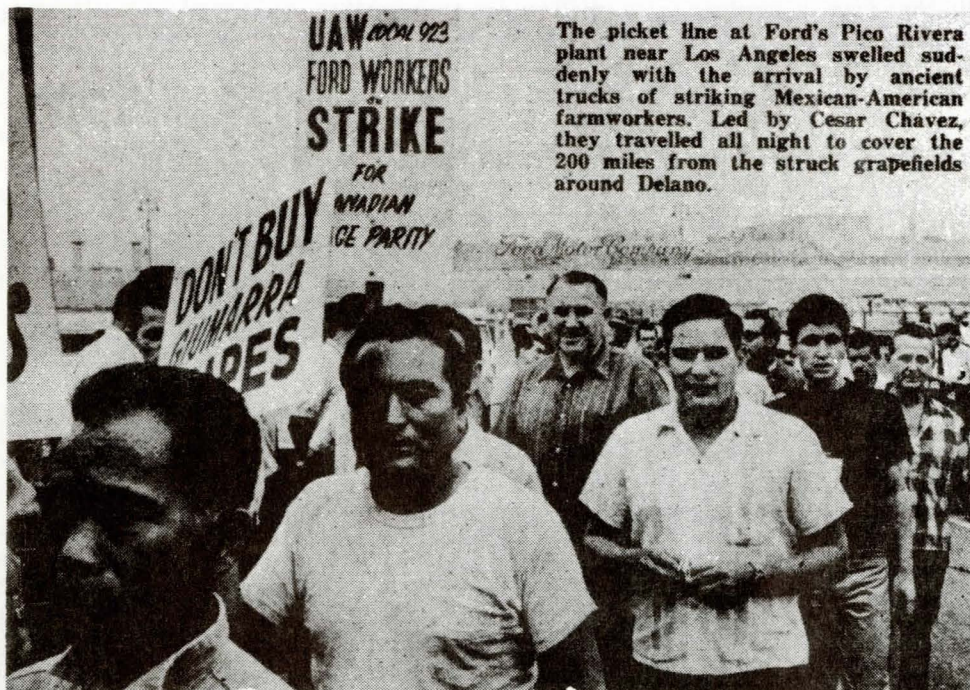
In viewing what is happening to the UAW, auto workers, and others suffering similar problems, must wonder, "What the hell is going on? Here we have companies making more money than any other bosses in the world. (\$15 billion gross profit in the past three years—W.L.) Here we are, breaking our backs working to support our families, with almost no protection against being suspended or fired if we refuse to work overtime or walk off the line for any reason. And yet if we stop working these companies cannot make a dime. Contract after contract, we're continually boxed in and can't do what we should to beat these bosses."

We in the Progressive Labor Party have advocated that workers in such a situation must begin to organize small caucuses, at first, on local levels around plant issues to win demands

from the company through locally-organized power; and that power must be represented by a new local leadership. But that is not nearly enough, as any worker will tell you who has followed a "rebel" group in a local, elected it to office, only to see it turn and act like the machine it replaced, or be co-opted by Reuther's massive international machine from Detroit. So what then?

At least two more ingredients are necessary for any prescription that has even a small chance of winning against such giants as GM, Ford, or Chrysler. One is simultaneously to organize parallel movements at many locals, which are related to each other and work together to form a national rank-and-file movement. Unless local militants can accomplish this, Reuther, with the cooperation of the company, will invariably be able to isolate (or buy off) local rebellions one at a time. As the workers at Mansfield, Ohio found out, one can fight a company like GM for only so long on a local basis. (See PL, July-Aug. 1967.) A national movement can do what one local—or even many isolated locals—can't: direct a coordinated effort against the company, picking its spots carefully (as the original organizers of the UAW did) so that too many holes in the dike are opened up for the companies—and Reuther—to close easily.

This, of course, does not mean that all the workers have to do to achieve the millennium is organize a national rank-and-file movement. (Even this is no small feat, and will take years to accomplish.) As the workers begin to up the ante, to develop the struggle from a local but unorganized one to an organized local one, and from that to an organized national struggle, the ruling class (and their lieutenants, like Reuther) will retaliate. They will attempt to isolate militant leaders, fire them, and blacklist them from the industry; they will call on the local and national mass media to drown the workers in a sea of propaganda designed to set the rest of the working class against them. AND, they will use state power openly: to break strikes, to invoke injunctions against rank-and-file walkouts, to escort scabs into plants, to fine, jail, and assassinate militant leaders, to illegally seize rank and file-led locals and their offices and treasuries, and even have the bosses' government take over the industry and then threaten to draft the workers as "government employees." Every one of these things has happened to workers engaged in militant struggle, and not just in the 1880's; examples



of all of them have occurred in the past 20 years.

Finally, as one of the last resorts, the bosses and the Reuthers will attempt to divide the workers by red-baiting, because inevitably communists will be in the forefront of these struggles. Why "inevitably"? Even a brief glance at the history of this very union—the UAW—will prove this point, and leads to the second additional ingredient necessary to a workers' victory.

In the early years of the automobile industry the workers lived in terror of their jobs; frequently, their very lives were in danger. But the most advanced workers of that era—the communists—raised the slogan of industrial unionism and went ahead to organize for it. They fought courageously against all the ruling class could throw at them; and their victory was an important one. The founding of the UAW provided a vehicle for greater struggle by a rank-and-file-led union in those early years. (See article on Flint strike, *PL*, Feb.-March, 1967.) Though the struggle was narrow and lacked a long-range strategy, the communist-militant coalition did achieve a significant victory—a point we must not overlook.

It was against this victory that the ruling class turned in all its wrath; and it used one of those in the workers' ranks to "clean out the communists"—none other than Walter Reuther. Through various maneuvers, aided by the cold war hysteria begun in 1946, and by shortcomings of the communists themselves, Reuther was able to eliminate all left-wingers from

leadership by the early 1950's. The result of this "clean-up" is the situation that exists today, in which the workers' pockets have been thoroughly cleaned out.

It is not communists who sign five-year contracts (as Reuther did in 1950), who sell out workers on working conditions, who take over locals rebelling against the sellouts, who leave the workers defenseless against the super-profit drive of the Big Three. No, it is not the "reds"; it is men like Walter Reuther.

What is the role of communists in the UAW and, in fact, all unions? Part of it is to participate in the local organizing against the companies on the issues most affecting the workers, and to fight the union machine when it prevents the workers from making these demands; they must help organize ever wider rank-and-file movements. But still more important is it for communists to recognize the many-sided nature of the enemy, and to point out that workers can depend only on their own organized power. The government is not neutral but is in the service of the bosses and will be used by them whenever other methods to put down the workers fail. Communists must teach that the Democrat and Republican parties are both servants of the bosses, whether appearing under the name of Johnson or Kennedy or Reagan or McCarthy or Rockefeller (himself one of the biggest bosses), and that we live under a class dictatorship in which the bosses are the ruling class. The way to ultimately change things is to eliminate their power of life and death by eventually smashing their government and set-

ting up workers' power. In that way, a system based on private profit sucked out of the workers' labor power will be abolished.

The communists' analysis of society and the class struggle enables them to provide a leadership which can predict the boss's next move—injunctions, the cops or the troops, spies or finks—and how to fight it. Communists can help prevent their fellow workers from getting sucked into such sellouts, on "patriotic" grounds, as supporting a war against Vietnamese workers and farmers for the profits and "national interest" of U.S. bosses. They can point out that the real interests of U.S. workers lie with solidarity among all workers, in Canada and the U.S. (in the special case of the UAW), Black and white, old and young, skilled and unskilled. A communist understanding of the class struggle goes beyond the system itself, to its overthrow. Therefore, if exercised correctly, this science will not be deceived by the short-range "carrot or stick" offered the workers that restricts their struggle with the ground rules of the enemy. If this is the role of communists, is it any wonder that Reuther and the Big Three want to "clean them out"?

The question is, where are the communists in the trade union movement? To a great degree, the ruling class and their piecard henchmen eliminated them, in one way or another, in the 1940's and 50's. From that, much has been learned. Doubtless, there are militants in the auto plants and in other industries, but they are isolated, fighting on local issues, and unable to advance beyond that. However, there is a new generation of fighters, some of them communists, who are part of, and entering, the working class and see the revolutionary nature of the working class as the force for change under capitalism; around them are militant workers looking for answers, fighting the bosses and the Reuthers, who will gradually be drawn into a new communist movement. A new coalition will be built up—of communists and non-communist

militants—that will have to exercise constant vigilance against ruling-class attempts to split and smash it. If this new generation of communists fails to convince the workers around them—by their words and deeds—of the necessity to take leadership from the communist-militant coalition, then the workers will lose the ability to fight a long-range battle against the bosses. They will fall back on the old treadmill of winning small victories on one front, only to see them snatched away on another, especially through the bosses' main weapon: red-baiting.

It is this understanding of the long-range nature and goals of the struggle—and the necessity to build a base that will be indestructible against all attackers—that gives communists, and workers around them, the strength to sustain themselves through the gloom of defeat and the often false elation of victory; it gives them the ability to raise the struggle from a lower to a higher level and help fill the working class with confidence that they can win.

In auto, as in other industries, the enemy is powerful and entrenched; he is the most powerful ruling class in history. But the power that derives from a united working class, when guided by the science of Marxism-Leninism, can overcome all obstacles — as has been proven in China. Within the battles of the class struggle occurring in the auto industry today are contained the seeds of workers' power. The ruling class partially understands this, which is why it goes to such great lengths to divide the workers, from the smallest punk of a stoolpigeon who goes squealing to the boss to the most massive state structure ever put into the field of battle by any ruling class.

Workers such as those in the UAW will be able to win victories beyond their wildest dreams to the extent that they, and the communists among them, nurture these seeds and help them grow.

