

## Wishful Thinking at the Gates of Hell

It seems like everybody is getting that warm fuzzy feeling about the New, Restored, Improved, Going-Private Chrysler. Ron and Buzz express confidence in Dieter, Tommy, and Stephen.

I disagree. I am all for optimism, but wishful thinking and deluding ourselves in this critical period is very dangerous. I think all the promises from the new owners are for the purpose of disarming us for the upcoming fight of our lives.

The experience of the last ten years tells us that equity firms are the advance guard of vulture capitalism. In the last few months the UAW experience with Cerberus at Delphi confirms this. Cerberus leaders include a former Bush Treasury Secretary and Dan Quayle – not exactly friends of the of labor movement. Cerberus is in the business of making quick profits. Its “strip and flip” strategy is short term. It trims down a company to make it saleable and then sells it.

Cerberus’s two in-house big auto industry experts David Thursfield and Wolfgang Bernhard are not known for their leadership in design or manufacturing but as aggressive cost-cutters

What has changed in the past weeks? Some promises that Cerberus plans no further changes *for now*? Why should it give us confidence that they are leaving the LaSorda management team intact—the management that made the decisions that created this mess in the first place at the corporate level (see box).

Cerberus can afford to take some time. They have been paid to take the company. The profitable Financial Services appear to have been separated so even if Chrysler declares bankruptcy they get to keep a profit center. Our pension funds, protected by Federal law, are well funded. But large parts of

the \$18 Billion projected liabilities for the costs of retiree medical care can vanish. It is not clear that the right-wing courts will rule that contractual promises to retirees will extend past the current contract. A legal requirement that a company keep its promise to a person might seem fair. But in these courts corporate needs usually trump fairness to workers. Two years ago at GM and Ford the courts allowed a union-company agreement to revise and concede the benefits retirees were counting on (see *Shifting Healthcare*). This is likely to serve as the industry standard.

### The Same But More

What we can expect is that under Cerberus’ scrutiny and pressure, Chrysler management will be on an aggressive campaign to cut costs, increase flexibility (get rid of work rules), get rid of legacy costs (obligations to retirees), and maximum outsourcing. If the current Chrysler management cannot deliver that then Cerberus will replace the management.

It is especially discouraging to hear good union people talk about how glad they are that we are owned again by Americans rather than Germans. Ironically the most likely buyer for a “trimmed down” Chrysler in a few years will be a Korean, Chinese, or Russian company—one that would benefit from fast access to a US manufacturing structure and a dealer network.

Globalization of the auto industry is a fact. The only way union conditions will stand against global corporations is some form of global unionism. We have to be looking in that direction rather than counting on anti-union corporate slumlords to look out for us just because they are “Americans.”

So what does this all mean for us? The company, as all of the auto industry, has been attacking our jobs, wages, benefits and conditions of work even before Cerberus came on the scene. Chrysler was the company that outsourced a whole body shop and a paint shop in Toledo, and that wants to outsource skilled trades management and then the

## On troublemaking and cowardly politics

Sadly the practice of cowardly politics in this local union grew during the last election. Rumor mongering, lies, and distortion tend to drive out real discussion about the issues and about what we must do as a union to protect our jobs and fight the very real forces that are out to crush our union and outsource our jobs. It also drives away good people who might consider being more active in the union.

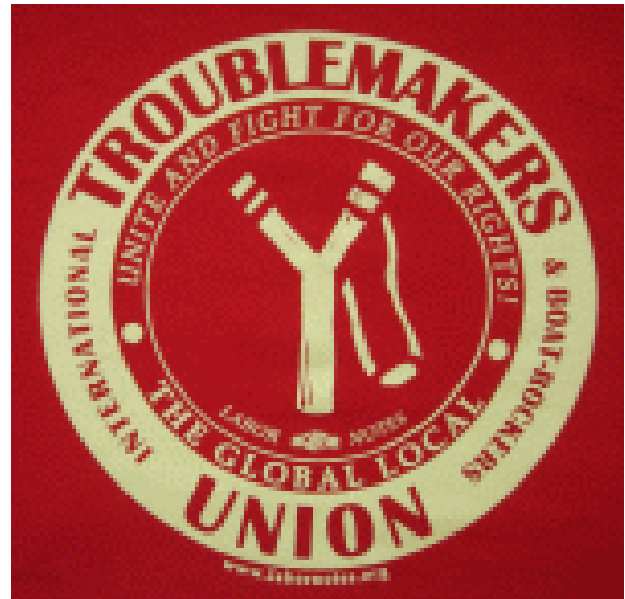
Several unsigned leaflets appeared in the plant toward the end of the election. I am pretty sure I know who wrote two of them. I went to see her. But she refused to confirm or deny. So we will call the author Ms. X.

I sign the papers I put out. Always have and always will. In general I think it is cowardly to hide behind anonymous letters when you are in a society and a union that protects your right to free speech. (If a right is not exercised it is lost.) And it is more cowardly when it is used to attack another member.

I was especially disappointed with Ms. X's leaflet because I always had a high regard for her. I don't believe she is a coward. On the contrary, she has been willing to stick her neck out on unpopular issues that challenge the embedded culture and procedure in the plant. She has not withered in the face of many personal attacks. Over the years she has written useful leaflets and articles that she has signed. In short, while I often disagreed with her I regarded her as the kind of person we need more of—a "troublemaker." Anyone who has been the victim of smears should be one to help stop them rather than joining in.

Reliance on anonymity also affects fact-checking. For example, Ms. X asserts that the current Bylaws include the requirement to distribute minutes of the meetings. This was taken out of the Bylaws following action/threats of the International Union seven years ago.

There were several other cowardly leaflets in this campaign on different sides. I don't know the authors. At least one was a response to another, which shows how anonymous leaflets, no matter how intentioned, only serve to escalate and make the atmosphere more poisonous. Written smears are the worst because they tend to get wider distribution. But the verbal type are no better in principle.



**I used to object to being called "troublemaker." While I was critical and outspoken, I always tried to be constructive and present alternatives. I don't try to make trouble for trouble's sake. But I learned that people with power use the term to dismiss or belittle those who stand up for their rights and the rights of others So now I embrace the term and proudly wear my Troublemakers Union T-shirt. You can get your own at [www.labornotes.org](http://www.labornotes.org)**

Cowards have to live with themselves. More important is that anonymous smear campaigns are bad for democracy. They not only confuse people about the truth, they discourage people from getting active. Why put yourself forward to help lead the union in this difficult time if you are going to be subjected to this kind of dirt. Smear politics tend to limit participation to either people who believe very strongly in the union, or those who like that kind of politics, or crooks. It is not good for the union and will not produce the leadership we need to take us through this difficult period.

-Mike Parker



# The President's Brother and Other Family Ties

Ever since I came to this plant eight years ago, some of Bill's opponents have spread rumors that he has gotten me special treatment as a way to try to attack him. From the day I hired in, former president Melvin Caldwell (caught stealing money from the local), and his buddies spread the word that Bill 's pull had gotten me in. A leaflet during the recent election campaign suggested that Bill must have given up something in local negotiations eight years ago to account for how I "mysteriously appeared in the plant ... without the proper credentials to be in the trades." In her anonymous leaflet Ms. X made reference to union trips "including the brother of the president."

For the record: I got my journeyman's card at Chrysler in 1978 and worked for years at Warren Stamping and Ford Rouge and then independently. In 1998 I reapplied to Chrysler through their Detroit central skilled trades hiring process. I took all the tests and had the standard interviews. The Corporation sent my name to the plant for more testing and interviews along with dozens of others in the large electrician hiring that began in 1999. Bill had nothing to do with it.

As to the "union trips" I have taken: The ONLY trips that I have gone on where the union has paid lost time were the ones I was elected as a delegate by the membership-- the Las Vegas Convention and Detroit Convention.

It is true that I have gotten excused by the union to be active in the Worker-to Worker Committee / Jobs with Justice, and other community and labor activities. But always it was on my own time. For some Jobs-with-

Justice Conventions, the union contributed some travel money for Local 1700 Worker-to-Worker committee members to drive to Cleveland or fly to St. Louis. But always it was our time. It should not be hard to check this out. Ms. X or any member can check with the Financial Secretary. The information should be open to the members but just in case I hereby give my permission for any information about what the union has paid me to be made public.

In this last election there were several charges about "conflict of interest" and favoritism involving spouses or relatives of candidates. There is nothing wrong with relatives being active in the union. In fact you would expect that relatives would likely share common interests. Favoritism--in the sense of favoring someone who is unqualified except for a personal relationship--whether familial or friendship is wrong. It is also wrong to discriminate or suspect someone simply because they are a relative.

Let's welcome all those who want to be involved in the union. The best protections against favoritism are transparency and more involvement not rumors and suspicion.

While I value my reputation, I am more concerned that these charges are mainly being used to undermine Bill. We are in for the fight of our lives (see Wishful Thinking) . Bill is not perfect, he makes mistakes and we do not always agree. But he is committed to this membership, committed to union democracy, knowledgeable and talented. He is willing to stand up against the company and the International when it is necessary. But he cannot do it alone. A strong membership, united, and with a close relationship to its leadership is what we need. Cowardly smears are not only self-serving but they serve the company and weaken all of us.

-Mike Parker

---

## Solidarity Forever

In this period we will only be able to count on solidarity to defend our jobs and conditions. It is not enough to "not smear" other members. Real solidarity has to start in the plant. It means getting actively involved, watching each others back, and most importantly knowing what side you are on. The words in the Solidarity anthem were never more true:

When the union's inspiration through the workers'  
blood shall run,  
There can be no power greater anywhere beneath the  
sun;  
Yet what force on earth is weaker than the feeble  
strength of one,  
But the union makes us strong.

*CHORUS:*

Solidarity forever,  
Solidarity forever,  
Solidarity forever,  
For the union makes us strong.

They have taken untold millions that they never toiled  
to earn,  
But without our brain and muscle not a single wheel  
can turn.  
We can break their haughty power, gain our freedom  
when we learn  
That the union makes us strong.

In our hands is placed a power greater than their  
hoarded gold,  
Greater than the might of armies, magnified a thou-  
sand-fold.  
We can bring to birth a new world from the ashes of  
the old  
For the union makes us strong.

Ralph Chaplin 1915

skilled trades itself to Premier. The upcoming negotiations were not going to be a picnic before Cerberus. This just makes it harder because they have less to lose than Daimler did if we have to go to the wall against them. That means we have to be more prepared. The union never won anything by kissing up to management. It wins things only when the membership is strong, prepared, and unified. That means for us giving up the wishful thinking and preparing now for a contract campaign, a strike if necessary, and starting to act smart in how we conduct our jobs in the plant.

### **Solidarity = No Two-Tier**

It also means we have to look out for the long run. Management will be pressing for the union to agree to two-tier wage and benefit agreements because it appears that the current membership loses nothing. But in the end two-tier destroys the union. As workers come in under the new conditions they will be easily pitted against the older workers and eating away at union solidarity and union strength to fight back in the future. We may be forced to lose some things in this round, but if we ever want to come back we have to say NO to two-tier.

-Mike Parker

## **Shifting Healthcare Costs**

In 2005 the UAW agreed to a number of concessions to help GM and Ford shift their healthcare costs to workers. The most dangerous were the changes in healthcare from a defined benefits program to a defined contribution program. They did this in shifting administration of healthcare benefits to a Voluntary Employee Benefits Association (VEBA). They effectively put a cap on the corporations' healthcare costs in the future. The cost of healthcare is going up rapidly. Medical costs are rising far faster than inflation; the age bubble in the work force is requiring more treatment; more modern drugs, tests, and technologies are coming on line. This means that when the costs exceed the cap, retirees will have almost all the burden for the excess. This will particularly hit hard those who hope to enjoy retirement before Medicare kicks in. Chrysler is going to ask for this at the very least. Our union needs to get this reversed at Ford and GM. Chrysler/Cerberus will no doubt demand much more.

## **Confidence in Management?**

And does the operation of SHAP give us confidence that this corporation can run efficiently, with respect for its workers. They had an out-of-control controller who was responsible for the policies that ensured we did not have the parts we need to keep the machines running. Management wisdom provided us a "material dispensing system" that every supervisor has had to find a way around. Has this been solved?

Or perhaps we should have confidence in the Body Shop Area Manager (the "Voice of FIS") who is constantly on the lookout for someone to blame besides himself.

And then we have a Body Shop Center Manager who wants 90 units per hour and thinks he can achieve high numbers by threatening mass write-ups of production workers (stopped by the union); or by ordering teams to work his way—without

rotation (stopped by team leader solidarity).

He wants TMS and root cause but doesn't seem to understand that we can't do them right if production runs through breaks and on Sundays.

Skilled trades recommendations for improvements come last while he pursues his expert's solutions that end up creating new problems. Long ago we documented how painting the bottom of the Plenum racks black saves substantial downtime by reducing vision problems. Despite repeated promises and missed deadlines, after 5 months the job was not complete. (The whole story is posted on the side of a cabinet near QQ1.)

The sad truth is that this kind of management is not an accident. It exists and will continue because it is the logical result of the corporate lean manufacturing strategy. Expect more of the same with Cerberus.

-MP