

Globalization and Organized Labor in the Automobile Industry: The UAW Takes One Step Forward, and One Backward

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Trying to rebound off the ropes, where it has been pummeled for the past several decades, The United Auto Workers (UAW) has launched an aggressive organizing campaign in the South, in line with an AFL-CIO resolution emphasizing organizing there, where unionization rates are weak across the board.

As reported in [The New York Times](#), the UAW has taken an international approach where union members in Brazil are picketing Nissan dealerships, a U.S. UAW contingent is traveling to South Africa to embarrass Nissan over its antiunion policies, and a similar campaign is underway in Tokyo and Paris.

Actor Danny Glover, has been persuaded to visit college campuses to recruit students to help in the union drive, and community groups are being organized, which include the NAACP, to help as well.

All of these measures are positive steps. Because of globalization and the ease in which industries can escape to anti-worker environments, private sector unions have suffered serious setbacks since the early 1980s. But globalization can be countered.

For example and most importantly, because it is leaning on international support, the UAW has rightly felt obligated to return the favor. In 2010 the UAW demonstrated outside a Hyundai center near Detroit to support the striking workers in Korea. By helping the Korean workers win higher wages, the UAW reduces the incentive for auto industries to flee to Korea.

By repeating this strategy in all other countries with auto manufacturing, globalization in the auto sector could be forced to a standstill. Instead of workers from different countries competing against one another in a race to the bottom – where the goal is to accept lower wages in order to attract business – by adopting the principle of solidarity, workers around the world can begin to raise their standard of living and all rise together.

In this way we could begin to reverse the steady transfer of income from working people to corporations. As The New York Times reported (U.S. Companies Thrive As Workers Fall Behind, 2013): "...wages and salary income in 2012 amounted to 44 percent of G.D.P., the lowest at any time since 1929, which is as far back as the data goes...The flip side of that is that corporate profits after taxes amounted to a record 9.7 percent of G.D.P. Each of the last three years has been higher than the earlier record high, of 9.1 percent, which was set in 1929."

The UAW's effort to connect to students and community organizations has the potential to change the balance of forces. Corporations want good public relations. They invest in huge amounts of money to run one-page ads to tout how much money they contribute to local schools or how much they care for the environment. They know more than most of us that public opinion can be a powerful weapon because it serves as the foundation for culture,

and a culture conducive to business interests is a huge money-saver for them.

By turning to the community in order to conduct a campaign of shame, the UAW can begin to change culture in a pro-worker direction, which, of course, would benefit most people. But this turn will have to embrace more than a cultural dimension in order to take hold; the union will have to actually champion causes that will benefit the community, for example, by demanding that corporations pay their fair share of taxes so that schools and social services can be properly funded. Those kinds of gains would amount to what are called, “game changers.”

But the UAW will have to overcome some of its missteps if it wants to succeed. In 2007 they accepted a contract that included a \$14 per hour salary for new hires, thereby creating a yawning chasm between their pay and that of the current workforce. What this means is that the workers at that time voted in favor of reduced wages for other workers, not for themselves, which inevitably produces animosity between the two groups. But only solidarity can save the union at this point, so in the next contract the union must champion the wages of the newcomers over their more senior coworkers in order to reduce the wage-gap between them.

Secondly, UAW President Bob King has adopted a somewhat contradictory theoretical and strategic framework that needs adjusting. [Labor Notes](#) quotes him as saying: “We have completely discarded the ‘us versus them’ mentality.” But Labor Notes went on to note that Gary Walkowicz, who ran against King in the last election for president, doesn’t think that will work and quoted him as saying: “If we want to convince the people in the non-union plants, we have to fight,” he said. “Turn back the concessions and give people a reason to want to join the UAW.” Of course he is right.

In his interview with Labor Notes, King offered this justification: “If workers have a larger voice they produce a better product,” In this way he hopes to promote employers’ success while rejecting “an adversarial work environment.”

There is usually a grain of truth in what people say, and King can boast of his grain, but he fails to capture the larger picture. His partnership philosophy is taking place within the context of capitalism, which radiates in all directions a culture of competition, self-interest and greed. In such a climate corporations are unable to distinguish between the highest good and the highest profit. Their number one concern is always their rate of profit. King’s philosophy will work only under limited conditions that have on the whole disappeared: if the company cannot move to a non-union location elsewhere and make a higher profit, then it will accept the partnership. But just as foxes are programmed to eat chickens, corporations are programmed to maximize profits, and genteel gestures will have little impact on this instinctive reaction. Unless globalization is brought to an abrupt halt, at least as it is currently practiced, King’s auto companies will move to greener pastures.

The “partnership” philosophy, which was trumpeted by John Sweeney, former head of the AFL-CIO, had disastrous consequences. Labor suffered some of its greatest defeats and watched its membership plummet.

Instead of turning to the corporations for partners, the UAW will need to redouble their efforts to build partnerships both domestically and internationally in order to organize a powerful movement of all those who are the victims of corporate policies. When the world’s population, that is overwhelmingly against corporate policies that impoverish workers and trash the environment, is organized, the balance of forces will shift and real change will be possible.

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