

Live Bait & Ammo #99: A Blitzkrieg of Lies, Threats, and Bribes

Gettelfinger has agreed “in principle” to a union controlled trust fund for retiree health care. Now, it’s his job to convince UAW members this mule is a race horse worth betting on.

Getting Gettelfinger to trade on “principle” was easy. Convincing the turkeys to vote for Thanksgiving is another matter. Another matter entirely.

Too many GM workers have seen too much horse trading over the years. They aren’t likely to trust an underfunded trust controlled by an undertrusted union.

Gettelfinger has agreed to let GM control the trickle of information on negotiations. When bargainers reached an impasse on VEBA and took it off the table, company controlled leaks informed the press GM was demanding wage cuts and permanent layoffs in exchange for VEBA.

“The prospect of such reductions was ‘exactly what the UAW needed GM to do in order to be able to sell’ the health-care fund to the rank and file,” said Sean McAlinden, a professional leaker from the Center for Automotive Research. [Bloomberg 9/22/07]

McAlinden doesn’t know GM workers very well. We took a wage cut for VEBA in 2005. We aren’t taking any more wage cuts. And we don’t believe concessions save jobs. In 1980 GM employed over 350,000 UAW members. That number has fallen to 73,000. Every UAW contract with GM since 1980 has guaranteed job security. You can bet your paycheck we won’t bet on a stalking horse named Job Security.

“We are witnessing this movement from softball to hardball,” said David Cole, chairman of the Center of Automotive Research. “I think there is a line in the sand at GM. If you are on one side, you invest in the U.S. On the other side, you disinvest and jobs go away and plants go away.” [Detroit Free Press 9/20/07]

The press treats David Cole as if he were an objective analyst. The fact is, he’s a hack. David Cole is the son of Edward N. Cole, former President of General Motors from 1967-1974. He is a director of the Original Equipment Suppliers Association

as well as a director of six automotive supplier companies. The trust fund baby wouldn't know hard ball from badminton.

GM workers know from experience that union management cooperation is a bust. The only jobs you save are the ones you fight for. We are more inclined to heed the advice of an old warrior like Jerry Tucker who said, "It's time to make that line in the sand a trench."

The horse traders in the Concession Caucus want us to negotiate COAs that will send skilled trades out the door and indirect labor into the arms of low wage suppliers. Somebody in this union has to have principles, otherwise we are likely to become a union of retirees and disability plaintiffs. In which case we may as well join AARP. We have a message for the leakers, the liars, and the lackeys. We aren't ready to roll over. Every nickel GM invested overseas was made off the backs of US labor. That's our legacy wealth and we intend to defend it.

Wall Street analysts project GM will fund at most 71% and make "a one time payment expected to top \$30 billion." [Reuters 9/22/07] If GM is ready to plunk \$30 billion on the table, you can bet they expect that horse to pay off in Kentucky whiskey and diamonds. What's more, they expect us to pay for it. "Part of the funding for the VEBA could also come from cost-of-living increases that would otherwise have been paid to active workers. The UAW has allowed such transfers to pay for health care in contracts going back over 25 years." [Reuters 9/23/07]

UAW members have no reason to settle for anything less than 100% funding, but David Cole argues, "GM believes the liability is overstated." [Business Week 9/18/07] And thus, in his mind, funding should be reduced. Of course, this is the same David Cole who said, "In business, lying is one of the things you do all the time." [Detroit Free Press 5-23-07]

GM can't have it both ways. First they assert the liability for retiree health care is dragging the company into bankruptcy. Then, they insist the liability is exaggerated. Liars every which way.

The biggest lie is the signing bonus. Whatever the Promise Breakers pay upfront, they take out the back double. It's like a sub prime loan: foredoomed to be foreclosed. 65% of GM workers are closing in on the brass ring called retirement.

We don't want anybody risking our security in retirement and we know we are only as safe as the members we leave behind. Make all temps permanent and equal UAW members. Make that principle a line in the sand and dig a trench wide enough to withstand a blitzkrieg of lies, threats, and bribes. Send them back to the table with instructions for GM to tell Congress what Warren Davis said, "What's good for workers is good for America. We need national health care now."

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