

Live Bait & Ammo #175: Time to Raise a Racket

If you work all year but don't save any money, you haven't made a profit. Your business, which is selling your labor, is a flop. On the American playing field *break even* isn't an acceptable business proposition. Take that plan to the bank and they will call security to show you out the back door and a janitor to sweep up behind you. Either you charge more for your product or you cut costs. That's capitalism. There is, as they say, no alternative.

Since you already live close to the bone, the only alternative is to charge more for your labor. Some workers contend this is a moral argument. I agree that two tier, the policy of permanent wage cuts for the next generation of workers, is socially degenerate. I also concur that people should profit from their labor. But our partners in the bossing class have a different point of view. They consider high wages, health benefits, and pensions a moral hazard, as it will, in their view, encourage sloth.

Wall Street wizards believe that monetary incentives including welfare, or in their peculiar twist of terms, *government subsidies and tax breaks*, are necessary to motivate those who fly business class. Conversely, they argue that monetary rewards for workers are morally hazardous to the health of the economy because reward and leisure is inimical to the work ethic.

If workers earn enough to save money every year, they may want to send their children to college, take vacations, and eventually retire in dignity. Where would that leave the pontiffs of moral hazard who live off, what the IRS classifies, "unearned income?" They may have to row their own boat.

Some thoughtful people contend that it is financially feasible and economically sound to spread the wealth around. Higher income equals more consumer demand, which in turn ratchets the wheel of fortune. Makes sense. Plus, the business press provides evidence, if not conviction.

In regard to second tier wages at GM, [David Welch](#) writing for Bloomberg News said, "Punch the numbers into a U.S. Bureau of Labor Statistics calculator that adjusts for inflation, and you'll find Henry Ford paid about the same — in 1914." Pause here, and consider the standard of living for workers in 1914. Pause here, and consider how much money that ruthless, racist, fascist, anti-union tyrant, Henry Ford, made off labor, compounded over the weeks and months and years.

Fast forward to the present. Investors blowing smoke in the Unearned Income Lounge, where verbal flatulence passes for intelligence, contend that higher wages cause inflation. Anyone who has ever punched a clock knows that wages don't drive inflation. Wages chase inflation. But Wall Street is in the business of making fools of people who think profit should be earned.

The Motley Fool, an investment advisor and services company, asserts that GM should spend its "[cash pile](#)." But the Motley Fool fires a warning shot across the bow of Generous Motors. What will UAW members' think when they see "GM is willing to share billions more of its cash with shareholders?"

UAW members will think, we are shareholders, too, and we produce more value than any jack in the box on the fifty yard line. The money is there and labor deserves a bigger share. But the labor versus capital dynamic isn't moral or financial. The fulcrum of negotiation is power not persuasion. If workers want to profit in a capitalist society, we must mount the teeter-toter with a preponderance of force, not pleas and platitudes.

"Power concedes nothing without demand," would sound like a cliché if the echoes weren't so profound. Neither moral nor financial arguments will convince the captains of capital to surrender a pound of ground. Strike or beg.

We can't blame investors for pursuing their dreams of a working class fractured by fratricidal policies like two tier. Nor can we blame union members for rebuking the traitors who bartered working class children like chattel under the yoke of "Concessions Save Jobs." UAW bureaucrats in the cradle of industrial unionism brought the debacle of Right to Work for Less upon themselves because cooperation with the bosses was too easy and lucrative for office-rats to resist.

The UAW promotes cooperation with bosses and competition between workers because the bureaucrats are paid off. Salaries, benefits, and expenses for UAW appointees are all reimbursed by an accounting gimmick the government calls a tax deductible charity organization. The corpo-rats funnel money through the wash and rinse cycle of "Joint Funds" into the pockets of union office-rats and it's all clean and legal as a lawyer's fingernails.

I have attended UAW Conventions since 1998. I never once heard a delegate demand two tier as a bargaining solution. I often heard delegates say that two tier is killing us. Nonetheless, UAW high hats delivered two tier as an ultimatum over and over again.

Two tier didn't begin in 2007. The sabotage of the working class began when the UAW abandoned parts plants to the camouflage of independent part suppliers isolated, by design, from solidarity. The sabotage was countersunk when unions retreated from the southern strategy with the excuse that civil war still rages in Dixie where, as the lazy asses say, "One can't talk sense to crazy."

Their definition of crazy is delivered from a podium of grandiosity immune from Einstein's dictum: *doing the same thing over and over again and expecting different results is the definition of insanity*. UAW organizers, in their own minds, never failed. Southern workers, they felt, just didn't get it.

Workers understand consistent, verifiable results better than scientists. We live it. Should anyone be surprised when we can smell bullshit covered with lies?

The best way to organize is to fight the boss and win, not kiss the boss's ass and grin. The UAW has delivered contracts that are essentially non-union in scope and economic impact. We don't need unions to cut wages, eliminate pensions, and hire temps. Why join a union that works for the boss?

If rank and file workers want a raise, we need to organize outside, above, and beyond the gelded office-rats in charge of negotiations with the boss.

In the second decade of the twentieth-first century workers feel buried alive in an avalanche of lies and weak excuses. The moral and economic arguments are razor sharp but facts won't penetrate the faith based engineers of capital accumulation. The fulcrum of change is power and the power of the working class is work not words.

Ratification of contracts is the most effective exercise of democracy in the union. Elections are as controlled in the labor movement as they are in the government. Contract time is when the ballot gains a voice that can be heard above the din of media hacks and corporate lackeys in union hats. It's time to raise a racket.

The threat of a strike gains credence when preparations commence months in advance. Management tries to build inventory to hedge against the threat of a strike. It's the rank and file's task to reduce inventory with slowdowns. Longshore workers didn't strike but they leveraged negotiations by hamstringing profits. Power was the persuader.

It's not enough to demand equal pay for equal work unless pensions are restored to all workers. Since workers have learned that bosses break promises as a rule and retirement isn't protected by law in a nation dominated by capitalism, second tier workers need to make a greater hourly wage than top tier workers in order to save for their own retirement. Anything less than more is a loss if you work for a living. If we accept less than we are worth, all progress is lost.

If workers can't save, they can't profit. If workers can't profit, they have no reason to support business as usual. If workers can't profit, why should anyone profit? Business is at the top of the teeter-totter now. What happens if workers jump off?

Of course, the captains of monopoly will cry they can't afford to pay, it will ruin the business and drive manufacturing out of the country. The business class has trashed our standard of living and crashed the American Dream into a wall of broken promises. We didn't start this fight but we can end it.

This is not a moral dilemma or a debate on economics. The triumph of class, working or investing, is based on power. Make it sure and keep it simple.

Economic arguments and moral high ground don't count for shit on the American playground. Bullies will take our lunch money until we organize our gang and fight to win. There is no alternative.

Gregg Shotwell

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