



Written by [Bruce Walker](#) on September 17, 2010

UAW Ignores Economic Reality

Organized labor, like the octopus of government, ignores the realities of ordinary life. America is in the midst of a depression and unemployment is a profound problem in much of our nation, particularly in those older industrialized regions which have come to be called the “Rust Belt.” Big unions, so present in American elections with money and foot soldiers, extracts its own irregular benefits and protections as the price of political support.



This has led many unions into a sort of delusional state of mind. The United Auto Workers, long one of the more militant unions, is an excellent example. President Obama has effectively nationalized much of the auto industry in his ostensible plan for “saving” the auto industry in America. Obama owes the United Auto Workers a great deal politically. So, when the management of an [Oshkosh](#), Wisconsin, plant producing military vehicles made by UAW workers made a contract proposal, the UAW proposed angry rejection.

What did the new contract provide? Terms that would make most workers in America today salivate: (1) a 3.5% increase in wages; (2) a \$750 signing bonus; (3) no increase in healthcare costs to the workers; and (3) increases in pensions and fringe benefits. When Harley-Davidson, not run by the government — yet — threatened to leave Wisconsin unless workers accepted terms that were economically viable, the workers agreed. What were these terms: (1) wage freeze; (2) layout of 325 workers; and (3) unions accepting the same pension plan as salaried workers for the company.

Although militant unions like the UAW profess to stand up for ordinary Americans, the truth is that anyone in America today who has a good job with benefits and no risk of being laid off can count himself fortunate. Those hurt by the unrealistic rejection of the UAW in Oshkosh of management proposals are those who could be employed if the union members did not demand so much for themselves. “Fight greed” is the rallying cry of the UAW, and yet its own greedy actions hurt Americans who do not belong to the union.

Does the Obama Administration really want jobs for Americans? Or does it want jobs for those Americans whose union dues and hired political operatives support Obama politically? Does the administration care about the hemorrhage of jobs out of America and into parts of the world in which workers have very little protection? Does the administration, which is even entering such sensitive areas as the compensation of corporate executives, yield to the pressure of paying compliant executives



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— those who treat militant unions with kid gloves — more money than tough and independent executives?

More to the point, do UAW workers believe that they live in a Never-Never Land, in which the Law of Supply and Demand has been repealed? Can they not see their friends and neighbors in Wisconsin who are struggling? In today's economy, almost any worker, wage or salaried, in any American corporation would jump at the terms offered the UAW workers in Oshkosh. The divide between the rulers (including powerful unions) and the ruled is growing wider. Just ask anyone looking for a good job in Wisconsin.

Photo: United Auto Workers President Bob King, center, marches in a union rally in downtown Detroit on June 17, 2010: AP Images



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