

## **Live Bait & Ammo #117: Legacy Profits outweigh Legacy Costs**

After the first bailout was voted down, President Bush warned that if we didn't hand over \$700 billion the House of Cards would fall and all the King's Cronies couldn't put it back together again. Since all the Cronies on Capital Hill had a face card in the deck, the pyramid scheme was reinforced with unctuous indignation and promissory notes.

But on the day the Bureau of Labor Statistics reported that we lost 533,000 jobs, more than in any month in the 124 year history of the B.L.S., President Bush shrugged and essentially said.... What's a few million more?

With poker face in place Bush told the TV machine, "I'm concerned about investing taxpayers' money in companies that might not survive." Which may lead the common citizen to wonder.....What's the difference between Citi Bank, AIG, Bear Stearns, and a company like General Motors? Sweat, products, torn ligaments, products, constructive labor, products, herniated discs, products, practical skills, products, carpal tunnel and, did I mention, "products" as opposed to unsecured securities, uninsured insurance, and debt financed with debt?

Credit where credit is due: Bush is the biggest bullshitter on the planet.

Like most folk who work for a living, I think management is organizationally impaired, logic deficient, structurally unsound, impractical, and dedicated to the pursuit of deception. General Motors is no exception and Congress is like GM without a budget.

If Congress had had the integrity to raise taxes on gas like Europe and Japan, the market would have demanded fuel efficient vehicles. The failure of Congress to legislate responsibly tipped the table in favor of our competitors. Congress was short sighted and as much to blame for the glut of SUVs as the Detroit Three—Alibi, Plea, Deny—and their sidekick with the runny nose.

What was Gettelfinger doing there? Alibi, Plea, and Deny wanted to show Congress how well trained he was. As usual the working class, the one party who bore no responsibility for this colossal failure, wasn't reserved a place at the table. Unless you count the one on the leash.

Republicans, who paraded "Joe the Plumber" on the campaign trail, demonstrated that they despise labor in general and organized labor in particular. They accused UAW members of making too much money and bargaining successfully for health care and pensions. They referred to retiree benefits as "entitlements". As if we didn't earn those benefits. As if the nature of our work—production as opposed to paper shuffling—rendered us ineligible for deferred compensation. As if people who actually produce a good or service don't deserve such basic amenities as health care. As if dignity in retirement was reserved for those who never got grease under their fingernails. As if a wage that allowed you to pay the bills on time and send your children to college offended the capitalist creed. As if legally binding contracts with workers were toilet paper. As if the right to bargain collectively was illegal.

Their analogies to the transplants were deceptive. The main reason the transplants aren't organized is that they pay as well or better than UAW contracts. The accusations of undeserved legacy costs ignore the other side of the ledger: legacy profits. Profits that were pocketed by executives, doled out to shareholders, and invested overseas at the expense of American workers and the deferred compensation they earned. Legacy profits far outweigh legacy costs. From 1994

to 2003 GM made \$104 billion in profit not including investments in new plants overseas and acquisitions of foreign companies like Fiat. How much was set aside for retiree health care?

A portion of legacy profits should have been invested in a trust to insure that the burden of retirement benefits wouldn't be shouldered by the next generation. But according to the capitalist custom of class privilege, sharing profits with workers is derided as uncompetitive, while sharing profits with management and investors is lauded as a just reward. For the rich money is an incentive, for the poor it's a moral hazard. The diversion of profits to *non* working people is the fundamental fraud of the free market system.

The Republicans' unbridled contempt for workers revealed an underlying agenda: the humiliation and degradation of labor. We weren't criticized for incompetence. We were maligned for earning a good living. We were vilified for violating their fundamental belief that we aren't equal as a class.

When it comes to wages there is no bottom to the bottom line. They won't be satisfied until we are all on our knees and begging to work for food. In their eyes unequal status under the law doesn't stop with immigrants, all workers should be at the whim and mercy of their employers, all workers should be underclass.

Their underlying agenda is to manipulate "Joe the Plumber" for political democracy while they deprive the working class of economic democracy. What good is the right of citizenship, if those rights are revoked as soon as you punch the time clock? What is the value of the right to vote for rich people to represent you, if you can't support your family?

Their real agenda is to bust unions like Reagan did to PATCO, and turn collective bargaining into collective concession making. Their real agenda is to strip the working class of health care, steal their pensions, and whip them with the threat of termination.

After watching the hearings on Capital Hill, I think we should all remember to thank our fellow UAW members who voted Republican all those years. We'll need their arsenals to wrest our right to economic democracy from the hands of the money changers.

=====

Thirty-nine state AFL-CIO federations, over 100 Central Labor Councils and 400 local unions have endorsed HR-676, John Conyer's "Expanded and Improved Medicare for All" bill. [[www.johnconyers.com/healthcare](http://www.johnconyers.com/healthcare)] The first step is to unite the huge reservoir of support for single payer in thousands of local unions and labor bodies. To take that step, a number of labor federations and unions are planning a national meeting of labor organizations that support HR 676, "Medicare for All." > **Labor for Single-Payer Healthcare Meeting**

**January 10-11, 2009**

**The Crowne-Plaza - Downtown St. Louis**

For additional information> [www.laborforsinglepayer.org](http://www.laborforsinglepayer.org)

or contact Organizing Committee Coordinator Mark Dudzic at 201-314-2653 or [mdudzic@igc.org](mailto:mdudzic@igc.org)

=====

The UAW International is notably absent from this drive which makes it all that more important for rank & file UAW members and retirees to show up where it counts. I made my reservation.

Stay Solid, Gregg Shotwell

[www.soldiersofsolidarity.com](http://www.soldiersofsolidarity.com)

[www.factoryrat.com](http://www.factoryrat.com)