DOUG FRASER

Former President, UAW

Interviewed by

Tom Downs

Sponsored by the
Michigan Political History Society
P.O. Box 4684
East Lansing, MI 48826-4684

April 8, 1995

TD: This is going to be an interview with Doug Fraser. Doug Fraser is former president of the UAW, worked his way up in the labor movement and is now a special professor at Wayne University, along with his good friend, Irv Bluestone. I am Tom Downs. I have known Doug for -- what is it? -- 20, 30, 40 years?

DF: Stop at 40.

TD: Stop at 40, ok. Won't let them know how old you are. So let's start right in now. Most of these interviews we do a little -- Where were you born, Doug?

DF: I was born in Glasgow, Scotland, Tom.

TD: Glasgow, Scotland. When did you come over?

DF: Well, the pattern those days for all Europeans coming to the States, the father came first, got established, then he sent for his family. So my Dad came here. It was about 1923. I was about 7. And about 9 months later he sent for my Mom and my brother and sister and myself. He located in Detroit and went to work in the Studebaker plant and was an auto worker for the rest of his life.

TD: So he came direct from Scotland to Detroit.

DF: Well, he stopped at Patterson, New Jersey, but only a momentary stop.

TD: How did he happen to pick Detroit?

DF: The jobs, and basically that's why people left Europe. There wasn't an oppressed dictatorship or anything like that in Scotland, but there just wasn't the economic opportunity to rear a family, so we looked to America, and he loved it from the moment he got here.

TD: Was he a skilled worker in Scotland?

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DF: He was an electrician and active in the labor movement, the secretary of his branch.

TD: Because a lot of the skilled workers were the Scots and a few English.

DF: Yes, the tool and die shops in the auto industry were populated by English, Scots, and Gemans -- a lot of foreign born in the trades.

TD: Well, then how did you start out in labor?

DF: Well, I suppose you could argue that maybe I was a member of the union before I went to work because of the environment at home and the conversation and I decided after about a year that I would run for second shift steward and then day shift steward and committeeman. I was local union president when I was about 27. Then I went to work as a regional director, regional representative, I should say. Then after the Chrysler strike in 1950, Walter Reuther asked me to become his administrative assistant and from there I was elected regional director, vice president, and president.

TD: Let's back up a minute. Which local were you in?

DF: 227 -- the DeSoto local. The young folks out there wouldn't know what that is. That used to be a car built by the Chrysler Corporation.

TD: Yes, I remember the DeSoto.

DF: I bet you can.

TD: All right, I've got as many not gray, white hairs as you have, Doug. I don't mind the gray, it's the balding that bothers me. Well, now this is a general question then. You spent your life

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really in the labor movement.

DF: Yes.

TD: And you came with good credentials from your parents, good labor genes, if you want to call it. What would you say as president your main success was?

DF: Well, I think you have to look at it retrospectively. At the time this was happening I didn't realize it was such a great success. But I think, Tom, the role I played, the union played in saving the Chrysler Corporation. You know, there is the revisionist history out there that says that Lee Iacocca saved the Chrysler Corporation, but Lee Iacocca didn't save the Chrysler Corporation. The Chrysler workers saved the Chrysler Corporation. And first of all, they made enormous economic sacrifices. That was the years of the Carter Administration. The individual who was running for president at that time, Ronald Reagan, was against the whole proposition of what they call a bail-out. And so we had a Democratic congress. Iacocca was not a folk hero at that time, and so he didn't have the clout that he subsequently gained by his reputation. So it was the union really that saved the Chrysler Corporation. Now, as I said, I didn't realize at the time because the company was in desperate straits, on the very brink of bankruptcy. The Wall Street Journal said, you know, why don't we just let it die and give it a decent burial. And you take coming from that period until in that last year the question the workers on average got $8,000 of profit sharing which was first negotiated during that terrible period. It

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was a terrible period, and I obviously didn't recognize the significance of the accomplishment until later years.

TD: I remember our mutual friend, Billy Ford, Congress. He told me when the lobbying was going on in Washington that Chrysler just didn't know what was going on and it was the UAW that knew its was around. Would you verify that?

DF: Oh, yeah. And we brought all the local union people there. You know, I can remember specifically there was some dispute within the administration where some political risks involved -- asking for a billion and a half loan guarantees -- and for a while some people in the administration were reluctant, but I can recall the morning that they decided to go forward. It was out at Vice President Mondale's house at a breakfast meeting. It was myself and Mark Step, who was then director of the Chrysler department, Howard Pastor, who was our Washington lobbyist, and Vice President Mondale, Secretary Miller -- Secretary, Treasurer, and Stu Isenstat, who was President Carter's principal administrative assistant on economic affairs. And it was at that meeting we talked through the problems in the Administration and at that meeting said they would go forward.

TD: Now, it was both the bail-out and the union making some, giving up some economic things. What did you get in turn for that? Besides your jobs, which was important.

DF: Yeah, it was important to save the corporation. Well, we tried to lay the ground work for the future, and one of those was, of course, the profit sharing, and right before the loan guarantee bail-out we made our first set of concessions. We got

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representation on the Chrysler Board.

TD: Now, there had been a big argument. Was that the first profit sharing in the Big Three?

DF: No, American Motors was actually, in 1964. And it was the first in the Big Three, you're right, but in the auto industry it was the second. Yeah, it was the first, the profit sharing was the first in the Big Three.

TD: Now there had been arguments that profit sharing would have people give up their loyalty to the union and be too much pro-management. Do you want to respond? You've heard that argument.

DF: Yeah, I've heard that argument over the years, and at first I didn't know if it was right or not, you know, as a theory, but I can tell you now, after particularly the Ford workers who have received profit sharing year after year after year, I think from the beginning we negotiated that. I happened to be there in 1982, again when there was no profit -- the easiest time to negotiate profit sharing, when there's no profits, or even the hope of profits -- but, in any event, the Ford profit sharing has paid off more frequently. And I think they've got an accumulated total of about $14,000, but there's no signs whatsoever that this results in saying, 'well, look I'm really closer to the company than union.' They know how they got it.

TD: They know they got it through the union.

DF: Right.

TD: And I think you can answer that very realistically. Now, I want to jump to another point. You know, I was very active on the

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Employment Security Commission, and at one time the workers had to wait a week before they filed for unemployment comp. Then we got that eliminated. Then there's the attempt to get it back in. It was about to get in when Chrysler wrote a letter saying they wanted to keep the waiting week, and that pulled the rug out from under those that wanted to eliminate it. Were you involved in that or do you want to tell a little bit about that?

DF: Yeah, I just have sort of a faint recollection. We had a lot going on at that time. But obviously we talked to the Corporation about it.

TD: And you were able to get Chrysler to split from GM and Ford.

DF: Right.

TD: Now, in the Lansing set up. I want to talk a few minutes about our good friend, Harold Julian.

DF: Oh, yeah.

TD: He was, in my opinion, the most effective person in Lansing, not only for the labor movement any place. Do you want to tell how he got to his spot in his relation to you?

DF: Well, I knew Harold for many years before he assumed the Chrysler or the Lansing position. He, like myself, was a Chrysler worker. When I worked in the Chrysler department for a short time after I got on the staff and Harold was the assistant director. So I worked as one of his colleagues in the department before I went to work for Walter Reuther. But Harold Julian -- and I think we've had a lot of good people up there -- in the old CIO days, AFL-CIO days, and UAW have had some very good people up there. But Harold had a special touch, and I think it was his personality

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and he was very calm, very easy going and beguiling and he's a perfect person for that position. I've seen him work on trying to persuade the most recalcitrant legislation and do wonders with them. And even when people opposed them or he had the opposite point of view, he never got angry with them. He had just the right personality.

TD: I noticed that from the years I worked with him that I never heard anybody say a bad mouth about anything, even as you say, the ones who disagreed with him very vigorously. Now was his line of authority direct to you?

DF: Yeah.

TD: When there were problems?

DF: No, we never had any --

TD: No, I mean when there was a question of what policy to take in Lansing.

DF: Well, of course, the policy was formulated by a larger group. It was during the years that I was the chairman of the Michigan cap. We had an executive committee, but people had such confidence in Harold's judgment that if Harold laid out what was possible and what was maybe probable and what was impossible they listened to his judgment. But if we made a decision that was contrary to Harold's views and it's difficult to remember such a situation, but I can tell you if that were the case Harold would carry out the policy of the organization and not what he felt about it. I'm sure there were such cases. I just can't recall them.

TD: I can't think of any. I think, for instance, no fault insurance. He and Jerry Combs and Governor Milliken were the ones that really

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got that off the ground.

DF: Yeah. I remember that well, and that was difficult. And the other one I remember well, Tom, because we had opposition in the labor movement and fought it out within inner councils and that was the bottle bill. Where we put the ten cent returnable on bottles. And I can remember that debate well. The glass workers who were opposed to it. The beer distributor workers. And I used to argue that, you know, my wife and I would just particularly if you come off freeways, I used to say to her, now, 'count the bottles, 10, 20, 30, 40 -- we were up to $5. I said if nobody will pick them up, I'll pick them up.' Of course, that realy solved an enormous problem that we had in terms of the environment.

TD: I think it was much more successful than anybody thought.

DF: Oh, yeah, and there I wanted to make that point because Harold just did a marvelous -- that wasn't easy, and Harold did a marvelous piece of work.

TD: Well, he was an excellent representative. I think he was the most effective person in Lansing. Now, let's talk about some of the real rough problems. We talked a little on the matter of racism. You want to go into that a little more? I know how much of a problem is it? What is it? What can we do about it?

DF: About the -- ?

TD: Well, the racial antagonism. In fact, now in the last election I saw some figures that the majority of the or a great number of whites voted both for Engler and Republican congressmen which is not traditional.

DF: My feeling is, my personal view is that the racism in the United

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States is probably greater than it has been in a couple of decades. I think one of the reasons is that when you have economic distress and economic pressures on people and three people that want two jobs or two people that want one job, that creates tension between races, between ages, young and old, between men and women, and I think that's contributed greatly. And there's other societal problems that contribute to it. There's no doubt in my mind that I think there's a higher measure of racism today than there was twenty years ago and what the whites do is they equate crime to black. They relate welfare to black and have all those stereotypical notions of black people that are very, very unfair. I think the country is in trouble on that score. I think we've got very, very serious problems.

TD: What, now certainly the UAW took the lead in the whole matter including feelings on racism, on religion -- I remember Walter Reuther would say 'the greatest segregation is Sunday in churches where the union meetings were integrated.' What do you see is the solution?

DF: Well, I think you put your finger on it. We were able to manage it, you know, we have every ethnic group imagineable -- blacks, and then the women came into the work place -- and I think it makes a point and even it proves a principle that when you have integration and people work together and eat together and associate with each other on an integrated basis, you don't have problems. It's when you're segregated and people are suspicious and perhaps even afraid -- that's when you run into difficulty, and I think the work places of America -- and I was there. I was in the

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shop when we integrated. I come from a lilly white plant -- we used to call lilly white plant -- not one single black until Roosevelt's executive order -- and so I worked through that whole integration. I saw that fear when the first black came in, but after about a year the uneasiness disappeared and as long as you have integration I think it greatly diminishes these artificial barriers that we have.

TD: Now there's good integration in the shop. The tool and die was probably slower than some of the others. What about when it got out in the neighborhoods -- is it still the segregation and what -- do you want to go into that a little bit.

DF: It went back to old habits. I don't know if you recall, Tom, in the old days of the FDR camp of Port Huron and CIO. Brandon Sexton had little surveys, and we would have, for example, sometimes we had a union wide program, had black members from the South. It was the first time blacks had ever been associated with whites and whites with blacks in that kind of setting -- where you sleep in the same barracks, you eat together, and you work together. And a transformation took place. And they had this little questionnaire about the -- 'Do you believe that African Americans are entitled to absolute equal equality in promotion, wages and everything else in the workplace?' All the answers were 'yes'. And then we say, 'well, do you think they should live in the same neighborhood as you do?' Then you saw some reluctance. I think even that has changed. I think the question of, if you looked at all the polls, what you see is an integration of some suburbs now. So I think that problem is easing somewhat. And it comes back to

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the point you originally made. If you have integration you can solve a lot of these problems.

TD: I remember an African American, or called black minister, said if there were 7 pork chops and 7 people, no problem. If there were 7 pork chops and 8 people, then you had a problem.

DF: This question of economic stress. Yes, it creates artificial competition.

TD: Now, I think politically there is going to be an issue to make a wage wedge issue of affirmative action and race. Do you want to comment on that?

DF: Well, I think it's going to be a wedge issue in 1996. I think it's very, very detrimental in a democratic society, everybody's free to raise the issue they want. And obviously there are people out there that know that this is a wedge issue and what they call a 'hot button' issue in politics because you see all the Republican candidates, they can't wait. They're seizing on this issue. They're seeing who can get out there first and farthest and so unfortunately it's going to be the kind of issue the proposition number 187 in California was in the last election which was anti-Hispanic, and I think it's destructive. I'm a little bit afraid of it, frankly, because I think it's going to greatly intensify the differences, not only between races because women are involved in the whole question of affirmative action. So it's going to create tensions and animosity and that should not take place.

TD: What did the UAW do as far as women progressing? How successful have you been on the idea of gender?

DF: Well, maybe haven't done as well as we should have done and we

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started late. We have many more women on the staff now than we once had. I think that's where you start so the women in the shops and the offices where we have organization could see them as role models. The difficulty was and I'm not making excuses, but the whole pattern of life in America was that the woman was the homemaker and a wife and so she wound up with two jobs -- jobs in the work place, then she went home and did what they call the 'wifely duties' and the husbands in that world didn't share those responsibilities as they sometimes do not. So a woman couldn't become active in the union. She was too busy taking care of her dual duties. Well, now that's changed. There's a whole sea change. I went to a women's conference, a UAW conference up at Black Lake. I've gone there for three consecutive years. There was about 350 women up there who are either leaders in their local unions or want to be leaders in their local unions. And so I see there's transformation in more and more women. It's coming much slower than I think either you or I would like to see it coming.

TD: Now, I heard Secretary of Labor Rike say you used to have to work hard and by the rules, now you've got to work smart. And I think he was pointing out that the income I think the last 20 years has not risen for industrial workers. What's happened is the wife or spouse has gone to work to make up the gap and then he raises the question if that gap is still there, what's going to happen next? Child labor? What's your prediction on what's going to happen?

DF: Well, I think there's a couple disturbing things that are happening. One is small steps we could take incidently, is

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increase the minimum wage. I just completed serving on what they call the Dunlap Commission. It was formerly titled the Commission on the Future of Labor Management Relations.

TD: That's the one where you were the minority?

DF: Yeah.

TD: Tell us about that.

DF: In any case, one of the set of statistics we come up which is very, very disturbing is that this is 1993 figures and 18% of the full time workers in America. Now full time is described as 40 hours a week, 50 weeks a year, were earning less or at $13,193 below the poverty level. Now I'm not suggesting that all those people were in poverty, because they might be the second income. But that's absolutely disgraceful that 18% of the full time workers work at that miserable wage. Now, the other reviewing statistic, two other reviewing statistics, that is increased by 50%, that cohort since 1979. It was only 12% of the work force in 1979 and now it's growing which it goes to this whole business that the rich are getting rich and the poor are getting poorer. In addition to that, we looked at Europe. Of all the European countries, and that doesn't happen in Europe. There isn't a massive gap between the lowest 10% and the median. In Europe it's only 35%. In the United States it's 68%. So there's things happening in America in the economy and have been happening in the last 15 years that results in working people. I'm not talking about people who aren't working. I'm talking about working people are getting poorer and poorer and have a lower and lower standard of living.

TD: I heard that you're showing, well, going back to the New Deal

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period. We had this kind of gap but we were raising the whole, narrowing the gap and now that gap is widening. Is that what your study showed? So that you say the rich are getting richer and the poor are getting poorer. I notice there you have the Wall Street Journal. Do you want to show us that headline?

DF: Well, this will contribute to what we're talking about. *Tax Bill Could Mean a Windfall for the Well Off.* And it shows that under the tax bill that passed the House of Representatives, the rich will get richer and the poor will maybe not get any poorer, they won't get any richer. As I recall the figures, if you earn $200,000 a year, you'll get an effective tax reduction of $11,240. If you earn $30,000 it will be $134. So instead of, you know, I believe and the President has recommended a $500 tax deduction for people, for each child in the family and it should be applied to everybody who earns up to $95,000 a year. The Republicans incorporate that among other things in their legislation except the cut off is $200,000 a year. So the tax bill is very regressive. I think it compounds the problem that we're talking about. My personal feeling is that the United States handle those control, by Republicans won't go this far. And if they do the President is going to veto it.

TD: Now, will you tell a little bit more about the Dunlap Commission that you were on -- what the majority was, how it was appointed, and what your minority report was.

DF: Well, the Commission was appointed in May of 1993 by Secretary Rush and the President and it was chaired by John Dunlop who was Secretary of Labor in the Ford Administration and we had Ray Marshall who was Secretary of Labor in the Carter

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Administration, Bill Usury who was Secretary of Labor in the Nixon Administration. Former Secretary of Commerce for academics. Paul there was CEO of Xerox, and myself. We had three mandates, one, which should be done if anything to change the law to enhance labor management cooperation which should be done to reduce delay in conflict and labor management relations and a third one went to question of regulations. My dissent took place because I am fearful the majority point of view is going to open the door to return of company union which was barred by the old Wagner Act of 1935. That was my principal objection and I wrote my dissent basically on that point. Now, Tom, the irony of this is I feel I've wasted 18 months of my life and I haven't got too many 18 months to waste because, you know, there's no question the favorable, and there were, there were some positive favorable recommendations that the Commission made that will help unions organize and give workers a greater measure of justice. But they won't see the light of day, not with this congress. There is no chance.

TD: Now what do you see -- we talked about it earlier -- we shifted from agricultural employment to manufacturing and now we're shifting to something else. What is the future of say fellows at the Ford plant or Dodge? Dodge main, as we know, is no longer in existence.

DF: Well, I think what you're going to see, if you want to talk about autos specifically, you're going to see a continuing decline in employment but at a much slower rate than you saw in the past. You know, from '84 there was radical change. Now, it's sort of

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settled down. You're going to see diminishing numbers because of automation and new technology. Fewer workers are going to be able to produce more cars. I don't think, Tom, you're going to see massive layoffs any longer. First of all, the union has negotiated a wonderful income protection for the workers. And so it is in steel. In steel, nearly every contract has a guarantee against any layoffs. You reduce the work force which is anticipated in steel also by attrition. So, it's going to be, the reduction is going to be more civil than has been, won't have that economic wrenching it had in the past. But then the question becomes in your day and my day kids used to come out of college and went into, were wonderful opportunities to earn a good living and start a family and buy a home and car and all the other good things in life by working in a factory. And those jobs are not going to be there any longer in any great numbers. There will be some there by attrition. There will be hundreds being hired in instead of thousands. So the future isn't bright for the young people who are located in the cities where our factories are because they're not be hiring in any great numbers and then because of the work force the employers are going to be more and more demanding of the type of people they hire in. In fact, I just had a chat with a fellow last week that they've evidently instituted a new testing procedure in all three companies, Ford, GM, and Chrysler. These are for new people now that never worked there before. You can't do this with seniority people and just as verbal description in this test is fairly demanding. And you wonder whether or not they're going to screen out a lot of people.

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TD: I noticed on highway construction -- when you and I were young you'd see a wheel barrow and a shovel. Now all you see is this tremendous equipment. Probably the fellows running it are getting union wages, but I guess where are the jobs going to be?

DF: Well, what you've got to count on is an expanding economy. It's sort of overstated all the new jobs are McDonalds. There's a lot of good service jobs. And that's where it's going to be. And then, you know, comes another complication because the wages relative to steel and auto are relatively low. It means ~~overall~~ only that the standard of living of the current generation rather than being what's it's been in all the previous generations, I think, at least this century, where the new generation always had a higher standard of living than the predecessor generation, that's not going to happen any more.

TD: Well, that seems very pessimistic. It seems to me if we're increasing productivity this is Economics 101. It should be able to be shared so everybody's a little bit better off.

DF: Exactly.

TD: But you think that's not going to happen in the immediate future?

DF: Well, I think it's there's other things that enter into it, Tom. It's not only automation because after all theoretically, in economic theory automation allows you to produce more with fewer people which means you drive down the Chrysler product which means that you need more people in auto, for example. Just a couple of quick figures -- the 20 year span '55 to '75 we increased production 74% with 13% more people. Now while we have this enormous increase in productivity we still were hiring people because you

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had an expanding market because in '55 we had roughly 7 million cars and trucks, in I should say '55 to '75 we had 12 million. But if the market weren't expanding we'd have had massive unemployment. So I think I'm not optimistic about the standard of living. I think probably jobs will be there. After all, we've created since Clinton took office, 6 million new jobs. But the type of jobs are not going to be as good as they were -- particularly for those people who just have a high school education.

TD: One thing, and we're jumping quite a bit, I'm talking about the matter of union leadership. You came from a union family, certainly worked up in the labor movement. I'm thinking of some people, I know like our good friend, Irv Bluestone's son, is one of the leading economists, because of MIT, and I saw him someplace he's advising Gephart on economics, a very important job. Ken Robertson, you know, a very good friend of both of us, his son is a dean of law school at Wayne University, a very good job. Gus Scholles dropped out of high school in the Depression. His daughter graduated from Harvard Law School, which is not bad. I think Dick Reuther's, one of his nephew's is working for the UAW, and I think you have a son working for the UAW, but where is leadership going to come from in the UAW in the years to come?

DF: Well, where it has to come from is these people they are now hiring in -- I don't have the numbers offhand -- but you see, as time goes on, autoworkers will be leaving by the thousands and they're leaving -- retiring at an earlier age all the time -- and so that's where the leadership has to come from. And from those

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new people that are now hiring in. It's the first time in years and years that we've hired in new people. I think it'd be almost an impossible question to answer except for what's now happening where the new people are coming in. The laid off people that have all been back they're absorbed. So what you're going to have from this point forward is new hires.

TD: I'm thinking of the period of the '30's when we had this tremendous unemployment where we had very competent people and now a lot of them are getting in the more skilled professional jobs.

DF: The people coming into the factories now have much higher level of education than we had. I just read a piece, the Windsor plant in Canada, I'm sure there's probably some parallel situation in the United States where fully 1/3 of the new hires they're hiring over there also are college graduates. And I hear stories now about people who are college graduates, or maybe a couple years in college, hiring in. And the other interesting thing is our own international executive board where we now have three college graduates sitting on the board. Outside of Irv, I can't remember a member of our board being a college graduate, I'm pretty sure.

TD: Was Irv on the boad? He was head of the GM.

DF: Yeah, but then he was elected to the board.

TD: And then he was elected to the board.

DF: And I think probably, because certainly Walter Reuther wasn't Leonard Woodcock and I wasn't. I think probably, so what's happening is now so in the leadership the UAW we have

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college graduates for the first time now.

TD: I want to give a little example of the pragmatism of the labor movement. When I was in college we'd hitch hike up to the Flint sit down and run coffee and mimeograph. And I remember there was a time when there was a great fear was that Communism taking over the planet. I remember asking this fellow in the sit down, I said, 'well, are the workers taking over the means of production?' And he looked at me, kind of you dumb college, he parted his hair and showed a great big scar. I said, 'what was it?' He said, well, he'd been on the picket line I think in Hamtramck and the horses, the mounted police just cut his skull open. So he said, 'I'm inside this plant and there aint' no blankety-blank horse going to get at me.' Well, I think I learned more there than in any class -- that very pragmatism. Now, I've heard many times in the labor movement years back workers would say keep the union out of politics, keep the politics out of unions. And I know you and Walter would talk about the interest of the breadbox and the ballot box. You want to tell me a little bit about how the union members were transformed into being more and more interested in political life.

DF: Well, I think probably we hammered away at the proposition and that you have less control over your destiny at the bargaining table as time goes on is truer today than it was in our time because so many things are affected by politics. For example, just to name a couple. Health care is horrendous burden at the bargaining table. You don't even have to talk about it in other countries in the world because they have national health insurance. Trade policy, tax

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policy -- all these political policies affect your life -- and so you have to be involved in the political life. But I can remember bringing it down to the state level. We negotiate sub benefits, when we eliminated the one week period had a hell of an impact on the sub fund. In Indiana, they wouldn't let us integrate it originally, and a couple of other states. So no matter what you do at the bargaining table, you can make gains with one hand and the state legislature or the United States congress could take it away from any other. So I think the workers, and maybe that's a lesson that has to be re-learned, however, because I still hear that view. Well, you know, the union's role in society is to take care of our wages and fringe benefits and working conditions. And politics is a personal thing. Well, of course, it's a personal thing. But the person has to understand the impact that politics has on their life.

TD: Another example, I heard the head of the social security department tell how you had certain pensions and you had the pensions be in addition to social security which meant the employers wanted to improve social security because the workers, you want to elaborate how that strategy developed and how it worked out? I think it was a tremendous strategy.

DF: Well, it was 1950. I was involved in the Chrysler strike, 104 days, and the only issue was funded pensions. We were asking for $100 a month including social security. The corporation was offering $100 a month including social security, but the issue that divided us reminds me of the baseball strike, this issue of principle. They're the most difficult issues to solve.

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Chrysler argued for almost a whole, about 95 of those 104 days they'd never missed a payroll. They would pay pensions out of the general revenues of the company. We, of course, and thank goodness we did it, we said, no, we want it guaranteed, we want a funded pension and based upon subsequent events, I'm glad we made that fight. It's a very difficult one because it's a difficult one to understand. You know, I was there at all those negotiations, it was 104 days, and we're talking about an actuarily sound pension plan. I didn't even know what it meant until we started negotiating. But what it means, you know, guaranteed.

TD: I'd like to go into a little more. You know, I was about as close to Gus Scholl as you were to Walter Reuther, and when that came about, Gus and I said how are you going to keep people out on strike for the term funded? Well, he and I, nobody knew what it meant. How did you do that educational job to get people to understand it? You said the way Chrysler went you're very glad you had it funded.

DF: Well, let me tell you a little story in connection with that. The strike had to be, oh, 60, 70 days old and it was winter and we had a rally of the old Plymouth local, local 51, and the strike would be 70, at least 70 days. And we're all bundled up outside and Walter Reuther was giving a speech and he says the company made the first significant move. They've set aside, they've agreed to set aside $90 million in sort of a reserve fund, it wasn't a funded fund and says it was a step in the right direction. And some worker in the back says, 'yes, Walter, but is it actuarily sound?' So,

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eventually, the workers understood, but still I don't want to diminish the difficulty. But then what happened later on at the point we integrated $100 a month including social security and for the very first time the companies went to congress and tried to increase the social security benefits because they'd have to pay less and after they did that we separated them again in subsequent negotiations.

TD: I think that was a tremendous accomplishment.

DF: But, Tom, I tell you the other recollection we had. We didn't negotiate on company property. We refused to because it was bitter. We thought that we were involved in an unnecessary strike, that the corporation shouldn't have taken the strike on this issue, and we're negotiating oh, Wardell, Sheraton Hotel on Woodward and Kirby and so then the inevitable day comes. We make a settlement, and you're supposed to go down and shake hands with the company for, you know, a photo opportunity. And just before we, the room they set aside for that and all the photographers were there. There's no TV, as I recall, maybe there was, but in the early days, but a lot of cameras, Walter Reuther said, 'lookit, I don't think we should engage in these normal traditional handshakes'. He says, they had no right putting us through this, and why don't we just show our disdain and our anger by refusing to shake hands. So that's what we did. Now, some people might think that's petty, but it made us feel good, I can tell you.

TD: And I think it is when you look back at those things that are accepted now that you and I remember, unemployment comp was

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rocking chair money. Anyone who wanted a nickel an hour raise was a Communist, and certainly there has been some...

DF: And I must say that industry leaders are more civil now. I can recall days, and you can too, because it's a few decades old perhaps that people and corporations thought their one task was to maximize profits, that was their only mission, their only responsibility. Well, now, as you know, they're involved in civic activities. We still have arguments with them obviously, but they're much better citizens than they once were.

TD: Now, what about the whole ecology movement that I remember John Lovitt, I got to know quite well, Michigan Manufacturers, what do you want to do? Fish? or work? And then the problem in the labor movement -- I was out on a recount out in the state of Washington and the fellows that wanted good ecology, the union of lumbermen or wood work or whatever it was called, you know, raised some questions. How do you solve this problem of what you and I agree is sound ecology, you know, if Michigan still had forests, what shape we'd be in with the matter of jobs.

DF: Yeah, and that's just about an irreconcilable conflict unless you can assure the workers of some guarantee of security. I'll give you another one, iron mines out in Minnesota. No question they were polluting this wonderful Lake Superior, and it was obvious you had to do something about it, but it would mean you had to close down the mines. Now you're talking about losing thousands of jobs, impacting upon thousands of families and so you have this absolute irreconcilable conflict unless you can figure out a way to guarantee income security for those families that are affected.

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Now, they did up in the redwoods incidentally. It was very expensive, but they were able to do it. Today, there's this conflict in Oregon, and sometimes you run into situations where you have this conflict and it's difficult to find the middle ground.

TD: I think trees can be harvested so that you can with effort do that, but I don't know about iron ore mining. Can you keep that from polluting? I mean it's --

DF: I don't think so. I think you have to do one or the other. You have to shut it down or maybe with technology down the road you'll be able to do it, as we've done, you know, with smoke stacks. We've sort of greatly reduced the harm that they're doing. They're still polluting our environment, but we're making progress there. It's very expensive, but the choices between the environment and losing jobs, you're in for a very, very difficult struggle.

TD: It's the old story, if you're the woodcutter, there's one sequoia left and your family's starving, what are you, or freezing, what are you going to do? So that's, those are some problems.

DF: Or trying to preserve the snail darts or the bird out in Oregon, I forget...

TD: Spotted owl, you want a spotted owl or do you want to eat? You can't eat the spotted owl.

DF: Well, what if I say I'll give you a plate of spotted owl?

TD: Yeah, and that's a very, and I go back to the fellow at the Flint sit down I saw that had his head cut open. It was very pragmatic and I, would you agree generally the American worker is more pragmatic than ideological?

DF: Oh, yes. I think we're less political, unfortunately, I think. But

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I can see the difference, you know, forget about the European and their tradition and their history and their involvement in political parties, but I can see the difference between the United States and Canada.

TD: Tell us more about that.

DF: Well, probably because of the European heritage, we have a European heritage, too, but maybe theirs is newer, but I don't like to say this, but Canada is a more caring, compassionate, sharing society than we are in the United States. I don't get any pleasure saying that, but I think that happens to be the case. And I believe that on that score we deteriorated in the last 12 years, you know, the gospel of greed and the mark of successful person is how much economic wealth you can accumulate. And I think our standards were corrupted. But I think we have to be concerned about that because I don't think we're really as caring and neighborly and understanding as we were, you know, a couple of decades ago.

TD: Well, you and I went through the Depression period where there was a much closer common bond in people. We were all in the same boat, but what do you do about it, Doug? We agree on the problem.

DF; Well, I again, am reluctant to say this, but I don't know if hopefully you could correct it by education. That would be the way to do it and you'd have to start in the schools and you'd have to worry about the curriculum. There's a big argument in Michigan about the curriculum, but you have to, I think, teach kids a sense of fairness, a sense of caring for each other and

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compassion. Absent that, maybe the turn won't come until we have another economic decline. I mean a serious economic decline. Now, that's a hell of a way to get educated, but you and I went through the worst of the history of this country. But, you know, I share your view. I remember those days well, Tom, you know, I was 13, 14, 15 during those years, lived in a neighborhood where everybody was laid off, all auto workers, including my father. And yet there was this neighborliness and togetherness and maybe it was because everybody was in the same boat.

TD: I hope we don't have to pay that price.

DF: Oh, no. But, as you know, I think that was a very important part of our education.

TD: It was. And I think we still have ..... Lani Guinere has written about how there should be shared power. Her example is that kids are playing -- 4 want to play tag and 5 want to play hide and seek, so they take turns, which sounds reasonable, but you went through the factional days of the UAW. Would it have been possible that since there was shared power that each group within the UAW had a certain number of seats on the board, but did they fight like cats and dogs or am I being too cynical?

DF: No, I think that kind of factionalism, I think the membership suffered during that period because everybody concentrated on the politics and not on the people, not on the programs and principles. I think those kind of politics are destructive. I think the best you can get if it isn't a bitter fight, the best you can get is absolute gridlock, and I don't think that's the way democracy should work. I think the majority has to -- you know, one of my big arguments

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is the Rule 22 in the United States Senate, the fillibuster rule, where a majority can't work there will. And we lost the strike of replacement issue and campaign reform issue. Just the last congress we've lost over now, of course, we are using it against the Republicans. But despite that it's unfair. It's undemocratic.

TD: I think the Senate has that apportionment problem that Nevada has 2 senators, Michigan and New York do. Certainly the supreme court has done a lot on legislative for the state legislature apportionment. What about that?

DF: Well, I think, if I might inject, Tom. I think Gus Scholl and perhaps Ted Sachs deserve a great deal of credit in the old re-apportionment fight because they more than any other individual took that fight to the supreme court and got some sense out of it. I can remember well reading the decision. I remember Justice Frankfurter say, 'well, we shouldn't get involved in that'. And thank God the supreme court did get involved. At least we've got some equity on the House of Representatives side. We don't have it on the Senate side because that's built into our constitution. But I think that was one of the most important political fights that the labor movement ever advanced.

TD: And I think Ted Sachs gets a lot of the legal credit. I think the one that really deserves the credit is Gus Scholl. I said he was a high school drop out and I remember meeting. In fact, here's a little history on that that Mennen Williams had won big and the Senate ended up killing everything. There was, I think, 2 to 1 Republicans and the committees were about 4 to 1 Republican and they picked the dumbest Democrat to be on the key

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was an absolute free trader. He thought it was our responsibility to help the underpriviledged and poor nations of the world to lift themselves up. But each in their own way has served the union well, and both were great leaders in their own way.

TD: And they came out of the same place. But I think you're right that Walter had more of a global. Now one of the -- I remember this -- he wanted to use the interest on the strike fund to organize internationally. Do you remember that?

DF: Yeah.

TD: And that was one of the few things he wasn't able to get through the convention. Am I right on that?

DF: Yeah, well, we eventually did and I'm glad to say it was during my watch that we, in 1980, we took half of the interest from the strike fund and to spend on free functions organizing communication and education. And, of course, interest because our strike fund is so huge it generates a hell of a lot of revenue. So it's a very meaningful change we made in 1980. But, you know, people, sort of get, you know, revisionist history. Walter didn't always get his own way with the board and that was particularly true when it came to some incumbents who Walter thought shouldn't be incumbents. The board sort of rallies around each other, you know. But, it evens out. He's a man of tremendous principal and, of course, he had this great gift of articulation and he could bring people along.

TD: Well, I think his greatness -- he got good contracts. He got good grievance procedure, and he acted internationally, that combination.

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DF: You make a very, very important point, because he used to say we had a regional director who was involved in the anti-Vietnam movement, and nobody quarreled with that, but he spent nearly all of his time demonstrating with the Hollywood stars. And Walter said, 'you know, I agree with your position, but the first thing you have to do is take care of the members' needs and then they'll allow you to do these things.' For example, when we marched with Martin Luther King in the south and I'm sure our white membership could have strung us up except for they thought, well, negotiates good contracts. We'll allow for his deviant conduct and so they allowed you to do things and take unpopular positions because, exactly because, you said it, because you deliver on the collective bargaining.

TD: I think that was the reason I think the rep from California, I think just let grievances pile up. And the membership, the first job is to take care of the grievanceds and the good contract. Now what about NAFTA? What's happening on it?

DF: Well, I think the NAFTA thing has changed dramatically since it was enacted. First of all, I don't think the argument is as one sided as people thought, but obviously with the collapse of the pecos NAFTA, at least in the short run, is going to prove to be detrimental to the American workers.

TD: And I don't know, now the argument was jobs, I think somebody said Chrysler is making engine blocks in Mexico or that there's already that using -- what's the answer to that? It isn't simply a smooth Hawley tariff, but yet if you open the borders completely you aren't going to have a $10 or $20 an hour man or woman

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compete with $1 an hour person.

DF: Well, the hope is, the theory is that in the long run it will work out, and I told a story during the NAFTA debate. Lord Keans agreed. He was talking about the short term and the long term and he says the long term are all dead. And hopefully and again I think about Walter during these times because he was a great internationalist, as you point out. And the way it should work out and the way it's worked out over the ages is that these newly developing countries will develop. The workers will get higher and higher wages and there will be customers for your product. I suppose in recent history the nation you should look at is the Asian nations. I remember when we used to complain bitterly about the Japanese wages. Now they are higher than ours. And that would hopefully be the case in Mexico. But, in the meantime, I don't think you can just let them ravage our industries. Certainly, they are entitled, if they built auto plants to supply their own market, you know, that would be one thing. Now during the whole NAFTA debate, you see, the auto companies argued that they would sell more products to Mexico than vice versa and that was happening until the collapse of the pecos. Now the reason it happens in auto, and auto, I think it could be very different. I think in textile there's no question about it, be detrimental to textile workers union. But, auto, because of the nature of the business, if you can't sell, if you build a plant that produces less than 300,000 cars a year, you'll lose money. So because of that market is so much smaller, they can't build a van plant and a specialty plant to supply that

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market. So the theory was, well we'll sell those types of products to Mexico, and it was working that way. The first few months of NAFTA, but now it's collapsed. So the labor movement's complaint is not that we should put up barriers on our borders, but we should have something to say, our government should have something to say about the environmental conditions and the labor conditions.

TD: Both labor and environment.

DF: Labor and environment. But then, you know, there's always these shifts, you know, after all this country was once an agricultural nation, as you know. And then we had an opportunity export and develop.

TD: And somebody can argue it's high tariffs that helped to industrialize America.

DF: Well, sure, absolutely.

TD: Now, let's get back on to something political. We talked about that the Republican in Detroit has as much representation as the Democrat in Traverse City. Do you want to a little more...how would you solve that problem or just let the winner take all and let it work out the way it was?

DF: Yeah, I don't see any solution. Internally, in Detroit what you could do is let counsel make districts random at large. But in terms of the state office, I see no solution unless you're willing to alter, what I believe, is sort of fundamental in the democracy and that's the majority rule. You know, this last election, last November the 8th, I think was a disastrous defeat and in the political life of a democratic society when you lose as we do

there's a price to pay.

TD: When you lose, you lose.

DF: And we're going to pay that price.

TD: Now some states tried this proportionment representation. I mentioned the constitutional convention. The one fellow, Mel Nord, who was an engineer a lawyer wanted to ... see you have two people elected from a district and each vote the number of votes he got. So you'd kind to have to have a race track tote board to total it up. I kind of like the idea to try it in one house, but that never got off the ground. I think we are pretty wedded to the winner take all. I think there's more on single districts. The U.S. Supreme Court has been moving.

DF: Then you say, you know, you win an election and you're frustrated because of the system. The majority again couldn't work their will. So I would, that's a very radical change and that would, I would want to think about that a long, long time. You know, the federal system is sort of skewed anyway, Tom, because, you know, the founding fathers, in order to put the nation together, in order to form a union had to make this tremendous concession. I think it's called a Connecticut compromise where each state gets two senators. I live in a county, I live in Oakland County, it's larger in population than a lot of states that have two senators, two United States senators. So that was a great concession to somebody who is building a democratic model would think that's ridiculous, but here we are so ingrained in the system that I don't think you can change it. So I think if you're going to tilt, you should

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tilt the other way of pure democracy.

TD: The funny thing is all us knee jerk liberals, you know, one person one vote, congress is that now. Hopefully, the senate will hold back some of the things the congress did. So part of this is whose ox is gored, I think.

DF: Well, except, Tom, and I mean this, I get so repulsed, particularly in the last few years, you know, the fillibuster rule, Rule 22, came into being in 1917, and it, when it came into being maybe one fillibuster a year, two fillibusters, now in the last, we're victimized by the Republicans who were in the minority in the senate, I forget how many, over a hundred in a short span, and it absolutely crippled the majority.

TD: And we made it so much easier. It used to be there had to be a real fillibuster where people would go around the clock and they would see it. Now, they just say I'm going to fillibuster and it stops everything.

DF: You got to get 60 votes and then you run on parallel tracks. You legislate on one set of bills and fillibuster on the same day. You fillibuster in the morning and legislate in the afternoon. I said during, because it was so frustrating, particularly when you're in the majority that what we should do or what the leadership of the House because the American people are just not educated to this anymore. A real fillibuster has not taken place, I said if they around the clock, 7 days a week fillibuster and the American people would see it now on C-SPAN. We didn't have C-SPAN before, they'd say this is ridiculous. We've to change the rules. Now, Mitchell, who was then the majority

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leader threatened to do it at one time. It is a pity. It was an opportunity lost. We should have done that and educated the Americans. Now the shoe is on the other foot and we're going to use it for the next 2 years. No question about it. That doesn't make it right in principle.

TD: I agree with you, even if you have a fillibuster, make it a complete one and people can see what it is.

DF: You know, I'm not against extended debate. The theory was when you didn't have the modern means of communication, the theory was the senator got up or a group of senators got up and spoke to the country and the word would filter out that what was before the senate and then the citizens would be able to express their point of view. Now, we have instantaneous communication and that's no longer necessary. But even then, I would say, look it, if they think that they can rouse the American people against the proposition that they're opposing, give them a chance. If they want 2 weeks, give them a chance, but sooner or later the majority ought to be able to work.

TD: Now what about this other big change that when I was a kid I kind of thought the government was a friend, the policemen -- we didn't have policewomen -- would tell us, would come to school and say, look when you cross the street. The firefighter would say, don't play with matches. NYE helped me get through school, and I looked at the government, basically, am I right? That more and more people are looking at the government as an enemy rather than as a friend. Is that?

DF: Absolutely.

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TD: Do you want to expand on that and what to do about it?

DF: Well, let me first say that I think the greatest danger to our democracy is cynicism because cynicism is the enemy of democracy because if people lose faith and trust in the system we're in trouble. And, Tom, we're bordering on that right now. Now, it's sort of self-inflicted because the campaigns, I think, devastate, are devastating in terms of people's feeling about the process and about the system and the institutions because everybody's preaching government's no good, government's no good. Now, you just think about what we've done about environment. God knows what our country would be today if we didn't have these environmental laws. Now, are you arguing did some of them go overboard? Maybe, they do, but basically they saved the environment and government intervention in our generation, GI Bill of Rights, that sure as heck is government intervention. The government intervention saved tens of thousands of Chrysler jobs. There are so many good things that our government did, go back to our days again. People don't realize it. I remember well, with my Mom asked me to go down to the bank with her, our money was in, whatever money it was, my Dad had so much faith in the system that he didn't want to take it out, he went to work. Mom said, come to the bank with me. We went to the bank on Michigan and Martin. The bank was closed forever.

TD: And your mother was right!

DF: Mother was right. But, you know, all of these governmental rules and regulations, and so if you were making argument to me that

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well, maybe in some areas we over-regulate, I wouldn't argue with that, so let's focus in on them and reduce the regulations or eliminate the regulations. But, my God, don't emasculate the government is what they're trying to do. And, you know, as sure as we're sitting here, if they had their way, if they had the president of the United States and the senate was of a like mind with the house, we would have as Gingrich says, we would have a revolution. What would happen after 2 or 3 years, as a certainty it would come all the way back again because it would be so destructive to the country.

TD: Can we take a few minutes break now?

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