

American Axle, UAW continue negotiations over concessions contract

By Joe Kay
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American Axle and the United Auto Workers (UAW) bureaucracy are in ongoing negotiations over a contract that both sides agree will include sharp cuts in wages and benefits for the 3,650 striking workers in New York and Michigan.

The strike has now lasted for seven weeks, and workers are determined to resist the demands of the company. The UAW, however, is carrying out discussions behind the backs of the workers, and top officials have already signaled their willingness to accept substantial concessions.

Over the weekend, AAM reportedly submitted a new proposal after the UAW had rejected earlier submissions. The company has also rejected a previous proposal from the union, although it said the union was moving in the right direction.

On Sunday, the UAW also rejected a company request for the intervention of a federal mediator into the dispute. UAW President Ron Gettelfinger insisted that the union had been willing to substantially meet company demands and a mediator was not necessary.

“Throughout these negotiations, the UAW has repeatedly offered responsible proposals and counter-proposals to American Axle in an attempt to bring a conclusion to bargaining,” Gettelfinger said in a statement on Sunday. He has previously said that the union is willing to accept a deal that “will mean real sacrifices by our members and real savings for the company.”

The UAW has scheduled a rally in Detroit for Friday. However, Gettelfinger has said that he would prefer to have a deal before then, so the rally could be cancelled.

The union also appears to have backtracked on threats to strike several General Motors plants. Though the dispute is technically over local contractual issues, the strike threat had been seen as an attempt by the union to pressure GM to take part in the negotiations and perhaps help fund a buyout of American Axle workers. The union bureaucracy is also aware of widespread support for the American Axle workers throughout the auto industry.

Last week, three UAW locals in Michigan issued five-day strike notices. A message on the website of UAW Local 598 in Flint reports, however, “We have suspended the Thursday at 10:00 am (previously announced) strike deadline. There will be NO STRIKE by UAW Local 598 workers.” No information was on the website of the other two locals, in Warren and Delta Township, that had threatened to strike.

In another attempt to put pressure on American Axle workers, the company announced late last week that it had reached agreements with unions at its subsidiaries in Mexico and the United Kingdom. In remarks clearly directed at the striking workers, American Axle CEO Richard Dauch said the agreements “achieved a market competitive labor cost structure” and that negotiations were “done quietly,

professionally, responsibly and effectively with no production disruption.”

Workers have been given no information from the union on the status of the negotiations. The UAW has signed confidentiality agreements to protect financial information that the company has agreed to show the union.

The WSWS spoke to several workers at American Axle on Monday about the contract negotiations. Doug, a skilled tradesman, said that he had not heard any official information, but that the rumors on the picket lines are that Dauch is not budging on demands for wage and benefit cuts. The union may agree to substantial cuts while attempting to sell the contract to the workers on the basis of buy-outs and buy-downs.

“Some workers will take the money and run,” Doug said. “If that happens, the place will be a mess” because of the departure of many trained workers. “It will be the blind leading the blind.” He said that if a contract includes substantial cuts along with a buy-out, many workers will leave the company, having no faith in the union to defend jobs and wages.

“There are not too many people who believe that these plants will be there for another contract,” Doug said. Dauch has threatened to move production to lower cost facilities in the US and overseas. “Dick Dauch is not budging. He will close the place in spite of the trouble it will cause for the company.”

Doug’s comments underscore the fact that the issues confronting workers at American Axle cannot be separated from conditions facing workers across the United States and internationally, and that the conditions of American Axle workers can not be defended outside of a broader movement of the working class.

“This is just a microcosm of what is happening all over,” Doug said. “I was talking to a Brazilian auto worker today, and he was telling me that a worker in Brazil is making \$18 a day. This is the type of cost structure that we have to compete with. It is systemic.”

Doug said there might be some progress if the strike was broadened throughout the auto industry. “But the UAW will never do this, because the UAW is nothing more than a corporation itself,” he said. If workers were able to break free from the union and broaden the strike, Doug noted that they would quickly be met with repression from the government.

John, another American Axle worker, said he did not think an agreement would be reached soon. “What has me fired up currently is that American Axle is attempting to have a government mediator intervene,” he said. “I think that has been part of the tactic all along, to get the government involved, so that the administration cronies get involved in promoting the corporate interests.”

John said that the union might agree to a proposal, but that it would likely be voted down by the workers. “I don’t believe that anybody would authorize a return to work [without a contract], considering how far apart the two sides are.” If workers were to reject a back-to-work order by the union, he said, the company would move hire

replacement workers.

Asked what he thought the response of the union would be, John said, "Given that they have trucks moving out of the plant currently, I don't think that the union is being aggressive enough in trying to protect our jobs currently."

Whether or not an agreement is reached between the company and the union in the near term, the American Axle strike faces defeat as long as it remains within the confines of the UAW bureaucracy, whose interests in these negotiations have nothing to do with the interests of the striking workers. The union will work actively to impose a concessions contract while attempting to stifle any attempts to broaden the strike.

The Socialist Equality Party urges workers to begin building independent rank-and-file committees now to prepare to fight any concessions contract handed down by the UAW, while also

appealing to autoworkers throughout the US and internationally. Workers must go on the initiative to mobilize opposition to a UAW betrayal.

At the same time, American Axle workers should be under no illusion that their struggle can ultimately be won within the confines of militant trade unionism. Behind American Axle and Dick Dauch stand Wall Street investors, politicians of both the Democrats and Republicans, and an entire social system that subordinates all production to the profit interests of the wealthy.

A new political strategy is needed to unite the working class against the impact of the financial crisis and oppose home foreclosures, layoffs and the assault on living standards. This requires breaking with the Democrats and Republicans and building a new political movement of the working class to fight for a socialist alternative to the capitalist system.

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