

As US auto strike enters seventh week

UAW president backs “real sacrifices” for American Axle workers

By Jerry White
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The strike by more than 3,600 workers at American Axle has revealed the unbridgeable chasm that separates rank-and-file auto workers from the leadership of the United Auto Workers union.

An op-ed piece by UAW International President Ron Gettelfinger published April 4 in the Detroit News makes clear the position of the union hierarchy in the strike now entering its seventh week. After recounting the concessions the UAW has repeatedly granted the company, Gettelfinger writes: “This year, we have again put forward responsible proposals to address American Axle’s legitimate concerns. These proposals, if accepted, will mean real sacrifices by our members and real savings for the company.”

Here the UAW president acknowledges that there is a basic agreement between the union and American Axle over the company demand for steep cuts in labor costs.

While castigating the company for “poor negotiating practices” which have made reaching a deal more difficult—including announcing huge bonuses for its top executives in the middle of a strike—Gettelfinger asserts that “our members understand that the competitive realities of the auto industry have changed.”

“That’s why,” he continues, “we’ve already given American Axle a break in 2004 and 2006.” Gettelfinger points out that the 2004 agreement slashed the company’s labor costs by “as much as \$200 million per year.”

Far from voluntarily accepting these rollbacks, American Axle workers bitterly opposed the previous concessionary deals. The union and management were able to push them through only by blackmailing the workers with the threat of plant closings and mass layoffs—which then occurred anyway.

The UAW collaborated with management to “coerce” workers into taking the buyout, according to a National Labor Relations Board complaint against UAW Local 424 filed by workers at the now-shuttered Buffalo, New York plant.

The concessions the UAW has imposed on auto workers have enabled CEO Richard Dauch to pocket more than \$250 million since he led a group of private investors to buy up the factories from General Motors in 1994.

If American Axle now faces a cost disadvantage with major competitors such as Dana Corporation, it is because the UAW has set up a bidding war between auto workers by handing over one concession after another in order to boost the profits of Detroit’s Big Three automakers—General Motors, Ford and Chrysler.

Gettelfinger’s editorial came amidst a flurry of activity by the UAW International aimed at strangling the strike. Last week the UAW announced that the company had begun handing over data requested by the union on its labor costs. This was followed by a meeting between the UAW International and local union representatives on the weekend and a face-to-face meeting on Monday between Gettelfinger and Dauch.

In an effort to pressure GM to help broker a deal with American Axle and maintain some credibility with an increasingly suspicious and hostile membership, the UAW has given a ten-day strike notification at five GM plants in Michigan, Ohio and Texas, and called a rally for April 18 in Detroit. The UAW president declared, however, “We’d like nothing better than to cancel our rally because the strike was resolved by having a ratified contract.”

That the union is offering major wage and benefit cuts is clear from the letter, as well as documents previously leaked to the *Detroit Free Press* that showed the union had offered substantial givebacks

on the eve of the strike.

Well aware of the militant opposition of rank-and-file workers, however, the UAW has a concern, not for upholding wages and benefits, but for how best to frustrate and undermine the resistance of the workers as it strikes a concessionary deal.

At the same time, Gettelfinger & Co. are intent on defending the interests of the union bureaucracy in any deal with American Axle. The UAW is willing to accede to more job losses, but it is no doubt seeking assurances from American Axle that it will maintain a minimum number of jobs at UAW-represented plants, thereby guaranteeing a future flow of dues income.

The UAW is doubtless also seeking financial guarantees to maintain the position of the union apparatus. In exchange for sacrificing the hard-won gains of generations of auto workers in the Big Three negotiations last year, the UAW was granted control of a retiree health care trust fund—a Voluntary Employees' Beneficiary Association, or VEBA—worth more than \$50 billion, with much of it paid in Ford and GM stock. A VEBA was also set up at Dana Corporation, and a similar deal may be in the works at American Axle.

There is a growing recognition that workers cannot defend their interests through the UAW and that a new road of struggle must be found. As one American Axle striker in Detroit told the *World Socialist Web Site*: “The UAW used to fight big

business. Now they are a big business.”

According to a recent filing with the Department of Labor, the UAW last year saw an increase in the interest income from its investments, even as UAW membership levels fell to the lowest point since 1941.

New industrial organizations of the working class must be built in opposition to the corporatist unions. American Axle workers should spearhead this fight by electing rank-and-file committees, led by the most trusted militants, to take the conduct of the struggle and negotiations out of the hands of the UAW. These committees should directly appeal to all auto workers to spread the strike in order to overturn the wage-cutting contracts agreed to by the UAW throughout the auto industry.

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—which are both beholden to big business—and building a new political movement of the working class to fight for a socialist alternative to the capitalist system. This includes placing the major auto companies under public ownership and the democratic control of the working population.

This is the perspective being fought for by the Socialist Equality Party.