

US auto strike enters tenth week

A political balance sheet of the battle at American Axle

By Jerry White and Barry Grey
30 April 2008

As the bitter strike at auto parts-maker American Axle & Manufacturing enters its tenth week, the irreconcilable nature of the conflict between the demands of the company and the needs of the workers emerges ever more starkly.

American Axle boss Richard Dauch refuses to budge from his demand that workers accept a near-50 percent pay cut. He threatens to bring in strike-breakers and permanently close his unionized plants. The police in Detroit—the site of the company's headquarters and largest plant—grow increasingly menacing and provocative.

For their part, the workers remain determined to beat back the company's sweeping concessions demands, knowing they cannot support their families on the near-poverty wage the company is offering. They doggedly maintain their picket lines, despite being forced to subsist on paltry strike benefits of \$200 a week.

The issue in this strike poses a universal question facing workers not only in the US, but around the world. Are they to go back to conditions of poverty and sweatshop labor, as demanded by the corporations in the name of competitiveness and profitability, or are they to assert their own independent interests?

There can be no compromise between these conflicting social priorities. The drive for wage cuts and the gutting of pensions and health benefits embodies the interests of a tiny minority of the population—the multi-millionaires and billionaires who comprise the corporate-financial oligarchy. The fight to defend wages, benefits and jobs expresses the interests of the working class—the vast majority of the population.

Because the American Axle strike arises from the clash of these irreconcilably opposed social interests, it has taken on a protracted and bitter character.

What are the forces aligned on each side of this battle?

There is American Axle CEO Richard Dauch, who has personally made more than \$250 million over the last decade. (That averages out, on an annual basis, to about 417 times the yearly pay of a unionized American Axle worker). Behind him stands General Motors, American Axle's biggest customer, the bankers and the big Wall Street investors.

Then there is the Democratic Party. This party, which professes to speak for the "middle class," has controlled Detroit for decades. The mayor is a Democrat and the City Council is Democratic.

The plant is situated in a densely populated working class enclave of Detroit called Hamtramck. Virtually the entire population of the city and its environs is aware of the strike, and there is broad support for the workers.

There is a second struck American Axle plant in Three Rivers, Michigan and two others near Buffalo, New York. The governors of both Michigan and New York are Democrats.

Yet no Democratic office-holder in either state has lifted a finger to support the strikers. On the contrary, when called upon by American Axle, city officials in Detroit have dutifully supplied police to escort trucks across the picket lines and intimidate and arrest strikers.

In the middle of a heated Democratic presidential primary campaign, in which both Hillary Clinton and Barack Obama claim to be fighting for ordinary workers, neither has issued a public statement of support for the strikers, or criticized the company's drive to impose near-poverty wages.

How is this to be explained?

The Democratic Party is entirely beholden to the corporate oligarchy represented by the likes of Richard Dauch. In the conflict between the profit interests of big business and the needs of working people, it stands squarely on the side of the former. Its occasional populist rhetoric is phony to the core. One need only drive through the working class communities in cities like Detroit that have been devastated by plant closures, home foreclosures and soaring gas and food prices to see the proof.

Then there is the UAW. The United Auto Workers union has its national headquarters in Detroit, a city with a rich tradition of militant union struggles. It has hundreds of thousands of members in Michigan.

What has the union done to mobilize UAW members to help win the strike? In a word—nothing.

Not only has the UAW not spread the strike to other plants or organized mass picketing to shut down production at the company's main facility, the union has failed even to call a significant rally. The one demonstration it did announce was cancelled at the last minute as a favor to the company.

The UAW conducts secret negotiations with the company and refuses to even inform the workers of the terms being discussed. It hands out a mere \$200 a week in strike pay, while it sits on a strike fund worth three quarters of a billion dollars.

Far from opposing wage reductions and job cuts, it has signed contracts with the Big Three auto makers and parts-makers like Delphi and Dana that slash wages in half while

accepting tens of thousands of layoffs. Is there any reason to believe it is not prepared to negotiate a similar deal at American Axle?

The UAW bureaucracy has directly benefited from helping the auto companies impose wage cuts, in the form of the multi-billion-dollar VEBA trust fund it received from GM, Ford and Chrysler. As part of those contracts, the UAW has positioned itself to become the single largest shareholder in GM and Ford. It therefore has a vested financial interest in boosting the competitiveness and profitability of these companies at the expense of the wages, benefits and jobs of its own members.

To the extent that the UAW has differences with American Axle, they revolve around the desire of the union leadership to secure certain guarantees for the union bureaucracy in return for its services in helping the company drive down labor costs. Well aware of the anger and determination of the workers, the UAW seeks to convince the company to move more slowly in achieving its goals. As a UAW international servicing representative and bargaining committee member told company shareholders last week, according to a report in the *Detroit Free Press*, “We will get to market-competitive, but we just can’t get to it overnight.”

Finally, there are the union dissidents, including former union officials, who are associated with the publication *Labor Notes* and groups like Soldiers of Solidarity. They, in turn, are supported by “left” organizations such as the Workers World Party and the International Socialist Organization.

Their role is to promote the illusion that the UAW is still a workers’ organization, which can be made to fight for the interests of the membership, and oppose any political break by workers with the Democratic Party.

While making occasional criticisms of the UAW leadership, they insist that workers subordinate themselves to the union bureaucracy and leave the conduct of the struggle in its hands. In this way, they aid the UAW in keeping the strike isolated and preparing the way for a sellout.

On the other side of the barricades are hundreds of thousands of workers in Michigan, New York and beyond who would gladly rally to the support of the American Axle strikers, knowing that they face the same attacks on their wages, benefits and jobs. They are blocked from doing so by the union that supposedly represents them.

The way forward

What conclusions are to be drawn? If the strike is not to be defeated, it must be broadened to mobilize the broadest

layers of the working class.

The prerequisite for such a development is for the workers to organize themselves independently of the union bureaucracy.

The Socialist Equality Party proposes that the strikers elect committees consisting of trusted and dedicated workers to take the struggle out of the hands of the UAW. These committees should fight to expand the strike throughout the industry. They should organize mass picketing and demonstrations. They should make a special appeal to auto workers in Mexico, including at the American Axle plant in Guanajuato, as well as to Canadian auto workers.

This industrial mobilization can succeed only if it is linked to a new political strategy. Workers are confronting not only Dauch and the auto bosses, but the entire economic and political setup in the US. Capitalism subordinates the needs of working people to the ever-greater accumulation of personal wealth by the super-rich.

A new political party is needed to mobilize the working class against the economic dictatorship exercised by corporate America, through its two political parties, and fundamentally change society’s priorities. Only in this way can the needs of working people be met and poverty, war and social inequality eliminated.

For decades, the corporations, big business politicians and union bureaucrats have argued against socialism, claiming that capitalism could raise workers into the ranks of the so-called “middle class.” But the profit system has failed. Workers in the US and throughout the world are facing the loss of the most basic necessities, including decent housing, health care, education and a job that pays a decent wage

The auto industry—which was built up through the labor of generations of workers—cannot be left in the hands of corporate executives and billionaire investors who are interested in nothing but their personal enrichment. These vast productive forces must be made the property of society as a whole. The auto monopolies and the most important levers of production, transportation and finance must be placed under the public ownership and democratic control of the working class.

This is the socialist and revolutionary perspective advanced by the Socialist Equality Party and our international Internet publication, the *World Socialist Web Site*. We urge workers to make the decision to join and build the SEP as the new revolutionary leadership of the working class.