

American Axle moves to hire strikebreakers

By Joe Kay
31 March 2008

There are indications that American Axle & Manufacturing is preparing to hire strikebreakers to crush the nearly five-week-long walkout by 3,600 workers at plants in Michigan and New York. The workers are on strike against demands from the company that they accept a two-thirds cut in wages and benefits.

According to an article in the *Detroit Free Press* on Sunday, American Axle is hiring workers at all four plants shut down as a result of the strike, which began on February 26.

The company claims it needs the new workers to replace any workers who accept buyouts as a result of some future deal. No credibility can be given to this claim, however. American Axle and its Wall Street backers are determined to crush the resistance of the strikers whose opposition has become a focal point against the wage-cutting contracts imposed on auto workers throughout the industry.

Having failed to intimidate the workers thus far, the company is now threatening to bring in strikebreakers, knowing full well that this would lead to major picket line confrontations in Detroit and the Buffalo area, which the United Auto Workers union would have difficulty containing.

There are several signs that the company is stepping up its provocations against the workers as the strike begins to have a broader impact throughout the auto industry. Last week, American Axle CEO Richard Dauch threatened to move all American Axle operations to other plants in the US and internationally if he does not get the wage cuts he is demanding.

The *Free Press* cited a former president of United Auto Workers Local 235 in Detroit—the company's largest location—as saying that the company will have at least 20 replacement workers brought into plants on Monday. Renee Rogers, a company spokeswoman, denied that any workers would go back on Monday.

American Axle has acknowledged, however, that it has asked workers laid off before the strike began to report back to work. According to WGRZ-TV in Buffalo, letters sent to 230 workers in New York instruct them to return to work on Monday or face the loss of unemployment benefits from the company.

The American Axle strike has already forced General Motors to partially or fully shut down almost 30 plants in the US, Canada and Mexico, affecting nearly 37,000 workers. On Monday, a car assembly plant in Detroit-Hamtramck that

makes the Buick Lucerne and the Cadillac DTS will be idled. Another assembly plant, in Lordstown, Ohio, is expected to stop production on April 4. The strike has so far impacted the production of trucks and sport utility vehicles for which GM has high inventories. This is not the case with the passenger cars assembled at Detroit-Hamtramck and Lordstown.

The strike has also led to layoffs at other auto parts companies that supply GM and could lead to the idling of two Chrysler factories as well.

Major financial institutions are beginning to voice concern over the effect of the American Axle strike on GM. Deutsche Bank analyst Rod Lache has lowered earnings expectations for both GM and American Axle for the first quarter, according to the *Free Press*. Credit rating agency Standard & Poor's reported it may cut ratings for the two companies as well.

These moves will only increase the pressure on the company to force through concessions. Dauch is counting on the UAW bureaucracy to eventually agree to his demands, as it has at the Big Three and the other parts suppliers. If an agreement is not reached, American Axle will count on the union to contain any struggle of workers against the crushing of the strike.

The last time a major UAW walkout was threatened with strikebreaking was in the 1992 strike at Caterpillar. At that time, the union capitulated and called off the strike, dealing a devastating defeat to the Caterpillar workers. Since the early 1990s, the UAW has integrated itself even more closely with corporate management. In the process, membership in the union has fallen by one half.

The UAW has issued no statements on the company's strikebreaking plans.

The company is demanding that workers accept cuts in pay from \$28.15 an hour to as low as \$11.50 an hour. American Axle also wants to lay off up to 1,000 more workers and cut back on benefits. Workers on the picket lines have shown strong opposition to accepting any concessions.

The WSWS spoke to workers in Detroit on Saturday. John, an electrician with ten years at the plant, complained of the media coverage of the strike, which is biased towards the company. "All the commercial media is highly biased in coverage of the strike," he said. "We know whose side they are on in the local press. But in the *New York Times*, too, they close every article by saying that 'concessions are inevitable.'"

Gene commented on the increasing difficulties facing

workers at American Axle and throughout the country. “Food, gas, housing costs constantly going up,” he noted. “We’re taking wage cut without even taking a wage cut! Meanwhile Bush hands out billions to Wall Street for their mistakes and greed. Bush isn’t punishing the millionaires, he’s punishing us and rewarding them.

“What are we getting in this ‘stimulus?’” Gene asked. “What are we going to do with the money Bush gives us? This \$600, \$1,200, we’re going to take that money and turn right around and give it back to the banks.”

Gene also commented on the situation confronted by workers in other parts of the world. “In Mexico,” he said, “the plants the auto industry builds are isolated and enclosed, like a labor camp. Workers are bused in, and bused out, provided a meal once in the day. These are horrible conditions. We’re under attack everywhere—it’s a worldwide struggle.”

At the pickets, security trucks made rounds in and out of the plant. Some workers picketed in front of the trucks, blocking their way. As one truck pulled in, workers yelled, “There’s nothing to guard here, go home!”

Scott, a job-setter with 14 years at American Axle, told WSWS reporters that in the months preceding the strike, Dauch hired approximately 90 extra security guards. Scott suggested that the presence of the security guards was purely for intimidation of workers and disruption of the picket lines.

Scott also said that some workers had heard that Dauch was behind in electricity and property tax payments to the city of Detroit for the plant. “Of course you know what would happen if you or I got behind in payments,” he said. “The rich can get away with all that, and city officials bend over backwards and give people like Dauch whatever he wants. Dauch threatens to move out of the city, and he gets whatever he wants, on the house.”

Regarding Dauch’s previous statement that it was necessary to eliminate the “Detroit entitlement mentality,” Scott said, “To him, we’re not out here for our wages and pensions and all that. He’s fighting to break the union. He won’t even take a contract that includes buydowns or other concessions.”

Scott told the WSWS, “At this point, if I’m offered a \$140,000 buyout, I feel like I’ll have to take it and move, buy a shack in Tennessee. I’ll have to take what they offer, because given the trend, what will they offer us in four years?”

Another worker, Dan, said, “We ought to open up the border and allow Mexican workers to come to the US. Let them work for the wages we are making here, instead of us working for their wages. The workers have tried to form unions in Mexico and face repression. Now the Chinese workers are involved in an uprising. You can’t blame them; they don’t want to work for slave wages either.”

Willie said, “I agree we need a political movement of the working class. The UAW is part of the capitalist system. They do whatever the corporations demand. The capitalists create the jobs and the unions collect the dues. They’re getting money from big business and the workers are stuck in the middle.”

The WSWS also spoke to workers at the Cheektowaga plant near Buffalo, New York. Bob, a worker for eight years at American Axle, expressed his sentiments about the massive wage cut being demand of the workers. “The middle class is gone,” he said. “No one can afford to live on the pay they want to give us. Everyone should be joining together to support us. The fight against the pay cuts is for everybody.” On the Democratic Party politicians, Bob asked, “Where are they? I do not see any politician helping us. Hillary Clinton promised New York 300,000 jobs, and the state has lost 30,000 since she became Senator.”