Reject UAW sellout at American Axle! Mobilize auto workers against attacks on jobs and wages!

World Socialist Web Site, Socialist Equality Party
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The following statement will be distributed to American Axle workers voting on the tentative agreement at UAW Local 235 in Detroit on Thursday. Click here to download and distribute the leaflet in PDF format.

American Axle workers in Detroit should reject the sellout agreement reached by the United Auto Workers union and fight to mobilize auto workers to stop the attack on wages and jobs throughout the industry.

The corporation and the UAW have used economic blackmail—including the shutdown of the Tonawanda and Detroit forge plants—to push through the contract in New York, Three Rivers, Michigan, and at Local 262 in Detroit.

The votes so far are not an endorsement of the hated contract. They were votes of no confidence in the UAW—which has made it clear it will do nothing to defend workers if they continue the strike.

The concessions accepted by the UAW will roll back the conditions of auto workers by decades. Under the tentative deal, wages will be cut from $28 an hour to $18.50, with so-called "non-core" workers receiving $14.55 an hour. Workers at the Three Rivers plant will earn as little as $10 an hour.

Newly hired workers will be paid $11.50 an hour with no cost-of-living adjustments—meaning they will receive little more than the $21,200 a year the US government considers the poverty level for a family of four.

This will be used as a new benchmark by the Big Three automakers and other corporations, which are intent on making workers pay for a slumping economy and falling car sales.

By slashing labor costs and eliminating up to 2,000 jobs—including 900 at Detroit Gear & Axle—the deal will save the company $185 million annually, millions more for General Motors, and lead to ever bigger payouts for CEO Richard Dauch and other top executives.

Nevertheless, Wall Street has sharply cut the share value of AAM stocks, with investors saying that labor costs are still too high. This means the current wage cuts are only a prelude to deeper attacks.

This betrayal confirms what the *World Socialist Web Site* and the Socialist Equality Party have said since the beginning of the struggle: workers are confronting two enemies. On the one hand there is the company's mult-millionaire CEO Richard Dauch, who is backed by General Motors and Wall Street. Then there is the UAW itself.

From the beginning of the struggle, the chief concern of President Ron Gettelfinger and the UAW bureaucracy was not the jobs and livelihoods of UAW members. Rather, the union was motivated by two concerns: first, how to overcome the opposition of the rank and file to wage cuts; and second, what the UAW bureaucracy would get in return for accepting major concessions.

It is now clear why the strike lasted so long. Even before the beginning of the walkout the UAW had expressed its willingness to impose substantial wage and benefit cuts. However, the one fight the UAW did take up against American Axle was over the perks and positions of the UAW bureaucracy.

According to the contract summary, management wanted to stop funding the joint UAW-American Axle programs and eliminate several company-paid union positions.

As part of the settlement, the contract summary stated, the corporation agreed to pay "100% for all remaining Joint Programs and Training" and to retain several of the joint program representative positions that were going to be eliminated. The union also protected overtime bonuses for local officials doing "union business" and promotion opportunities for district committeepersons and joint program and benefits representatives.

Many workers have already concluded that the UAW is conspiring against their interests. Under these conditions, various union dissidents, including former UAW Local 235 President Wendy Thompson—a supporter of *Labor Notes*—have sought to prevent workers from drawing the

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necessary conclusions about the UAW and breaking with this pro-business organization.

In the *Shifting Gears* newsletter, Thompson claims workers should "send the negotiators back to the table" to fight for a better contract. She claims that if workers rejected the contract, "the union would have to schedule a meeting to listen to what strikers want and would go back and try to negotiate an acceptable agreement."

This is a fraud. The UAW bureaucracy is not answerable to the membership and cannot be pressured into fighting for its interests. The UAW would respond to a rejection of the contract by escalating its campaign of isolation, financial pressure and intimidation against strikers. UAW officials in Three Rivers have already floated the idea of breaking ranks, signing a separate agreement and returning to work if Detroit workers reject the contract.

A real struggle against the corporation is only possible if workers break from this pro-company organization and develop a new form of struggle. American Axle workers should elect rank-and-file committees, led by trusted militants, to take the conduct of the strike and negotiations out of the hands of the UAW bureaucracy.

An appeal should be made to workers at GM, Ford, Chrysler, Delphi and other companies to carry out an industry-wide strike to overturn the pattern of wage-cutting agreements signed by the UAW. A special appeal should also be made to Mexican American Axle workers and Canadian auto workers facing similar attacks on jobs and living standards and the treachery of the Canadian Auto Workers leadership.

Mass picketing must be organized to oppose Dauch's threats to bring in strikebreakers, and demonstrations should be called to rally the widest support in the working class for this fight.

This industrial mobilization must be combined with a new political strategy. The fight at American Axle is part of a struggle that the entire working class confronts against the capitalist profit system. After producing vast fortunes for corporate CEOs, hedge fund managers and other financial speculators, the capitalist system is in the midst of an economic crisis that threatens to produce another depression.

The crisis of American capitalism is making the working population much poorer through declining wages, skyrocketing prices for basic necessities, home foreclosures, cuts in social programs and the destruction of decent-paying jobs. Workers in the US are confronting the same basic issues as workers around the world, including growing inequality and the explosion of militarism and war.

To fight against these conditions, the working class needs its own political party—independent of the corporate-backed Democrats and Republicans—that aims to reorganize the economy to meet the needs of working people, not the wealthy elite. The auto industry and all the basic levers of the economy should be put under public ownership and the democratic control of working people.

The destruction of decent-paying jobs in the United States and the shifting of production to low-wage regions in Mexico, China and elsewhere must be answered through a fight to unify the working class internationally against the globally organized auto giants. Workers everywhere have a common interest in securing decent jobs and living conditions.

The betrayal of the UAW is not just a question of the individual corruption and cowardice of the Solidarity House leadership. It stems from the bankrupt political program of the UAW and the other unions, which is based on its undying defense of the capitalist system, economic nationalism and the subordination of the working class to the Democratic Party.

Its support for the profit system has now led to the transformation of the UAW into a big business itself, with control of a multibillion-dollar VEBA retiree heath-care trust fund and tens of millions of shares in GM and Ford stock.

American Axle workers have not fought for nearly three months in order to accept this contract. There is enormous support among auto workers and throughout the working class for a stand in defense of jobs and living standards.

The rejection of this sellout should be the beginning of a counteroffensive by the working class. The key question, however, is leadership and political strategy. We urge workers to study the history and program of the Socialist Equality Party and build the SEP as the new revolutionary leadership of the working class.

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