

Bitter outcome of UAW sabotage of 2008 strike

## Detroit American Axle plant to close

Tom Eley  
30 April 2009

On Tuesday, United Auto Workers (UAW) officials announced that auto parts-maker American Axle will close its Detroit-Hamtramck factory—the largest of its US facilities—and lay off between 500 and 600 workers. UAW officials claim these jobs are being moved to Mexico.

The entire complex will shut down for eight or nine weeks in the summer. Afterwards, a maximum of 232 high-seniority workers might return—should the plant reopen at all. As recently as 1997, there were 3,000 workers at the Detroit plant.

Last May, UAW officials smothered a three-month-long strike by nearly 4,000 workers in Michigan and New York against American Axle, telling workers the only way they could save their jobs would be through major wage and benefit cuts.

At two closed-door meetings on Tuesday evening and Monday afternoon, local UAW officials did not propose to do anything to stop the plant closing, according to workers who were in the meetings. Nor did they bother to explain the failure of their strategy to “save jobs” through last year’s giveaways. The officials limited discussion to what workers might expect in severance pay and benefits, and lamely suggested that the union might file a grievance with the National Labor Relations Board.

It is now clear that the isolation and defeat of the strike by the UAW was to buy time for American Axle to carry out a major restructuring, which included widely rumored plans to close the Detroit plant. Since workers returned, the company has been removing material and machinery.

At the end of January, CEO Richard Dauch announced his intention to cut production in American Axle’s US operations by 70 percent and increase capacity overseas by 150 percent. The company also announced its intention to wrestle further concessions from its Detroit workforce. UAW officials claim no negotiations took place.

The collapse of American Axle’s biggest customer, General Motors (GM), has speeded up the shutdown. “The idling and consolidation has accelerated due to the current economic conditions which significantly reduced demand,”

an American Axle spokesman, Renee Rogers, said.

On March 5, American Axle began to auction equipment from its plant. Also in March, the company’s creditors warned it could not continue as a “going concern” due to the collapse of the auto industry. The company lost \$1.22 billion last year and cut 3,000 jobs.

Aware for months that the closure was coming, the UAW has offered not a bit of resistance. After announcing the plant closure, Local 235 President Bill Alford fell back on the UAW’s favored strategy—blaming foreign workers. According to Alford, workers are “very upset that a company with the word ‘American’ in its name is moving jobs to Mexico,” adding, “all of those jobs are going to Mexico.”

In shutting down last year’s strike, UAW officials threatened American Axle workers that if they did not accept poverty wages and conditions, jobs would be shifted to Mexico. In so doing, the UAW was acting as an agent of CEO Richard Dauch, who made similar threats. Now these threats, supposedly averted by the bad contract, have been realized.

As the *World Socialist Web Site* noted in May, “unwilling and incapable of fighting for the international unity of the working class, the UAW sought to convince the company to maintain a minimal number of jobs in the US by offering ever-lower wages and worse working conditions.” The results of this strategy are now apparent.

This only shows that there is no way forward for workers outside of a coordinated international struggle. In fact, auto workers face the same attacks all over the world—in Canada, Europe, Asia, and Mexico. Workers can no longer accept a state of affairs where they are divided in struggle by national boundaries, with each section of workers pitted against each other in a race to the bottom.

Over the course of last year’s strike, the UAW worked to isolate American Axle strikers in Detroit and Three Rivers, Michigan and Buffalo, New York, from auto workers at GM, Ford and Chrysler. The UAW refused to issue a single call for solidarity action, and allotted to American Axle

workers a meager \$200 per week from the UAW's nearly billion dollar strike fund.

In spite of the sabotage by the UAW, the strike won widespread sympathy from auto workers and others, and the solidarity of the American Axle workers never waned despite threats to bring in strikebreakers, abuse by police and other efforts at intimidation.

The defeat of the American Axle strike, which was consciously prepared by the UAW, set the stage for a far-reaching attack on the jobs, wages, and conditions of auto workers throughout the industry.

In May, the *World Socialist Web Site* warned, "The UAW betrayal at American Axle ... will be used to set a new benchmark for the permanent lowering of wages. ... This is only a prelude to a new round of mass layoffs, bankruptcies and concession demands in the auto industry, the airlines and the rest of the US economy. The corporate executives and investors will not be satisfied until the auto industry is a low-wage sector in which workers have no benefits or job security."

The closure of the American Axle plant illustrates the criminal and destructive character of American capitalism. CEO Richard Dauch has pocketed more than \$250 million since the former Chrysler executive and a group of Wall Street investors took over the company from GM in 1994. This personal windfall was not based on building up the production of American Axle, but on its destruction.

John, an electrician with 11 years at the plant, said, "They are closing plant two and most likely the whole complex within a year. Ever since the strike it's amazing looking at the scale of machines they have been pulling out of the complex. The managers try to prevent people from going to areas where the outgoing machines are kept so we can't witness what is happening.

Watch David North's remarks commemorating 25 years of the *World Socialist Web Site* and donate today.

"The UAW is just delivering us to this situation. They said concessions was the only way to save jobs. After the strike was ended, the union became non-existent in the plant. Management instituted its wildest dreams and the union was nowhere to be found.

"There was a plant meeting when we ended the strike. The first thing management said was 'this is a whole new company.' The union was not even there for the meeting. We had no idea what was in the contract and what the union had agreed to.

"The strike was engineered by management, with the complicity of the union, to wear down the members into acquiescence. Now they are demanding concessions from all auto workers.

"It is highly suspicious the Big Three shows up at capital

asking for a hand, and the president and congress, not the Big Three, insist that the membership take concessions. Ground zero is Wall Street. The government has key people in the administration from Wall Street setting the rules of how they are going to fix the problem by handing over public assets to the banks in golden wheelbarrows. Social programs will no longer be available to us and only Wall Street and the military will get the money."

The brutal offensive being carried out against the auto workers must be stopped. Tens of thousands of auto workers are waiting for a signal to fight. If American Axle workers launch a struggle against their plant's closure, they will win broad support. This could provide a tipping off point for a far larger revolt of the auto industry rank-and-file.

As a first step, American Axle workers must form an organization independent of the rotten UAW and nominate a factory committee to organize opposition. The committee should organize a plant occupation, as has been done at Chicago's Republic Window and Doors factory, at a Chrysler parts supplier in Windsor, Canada and in European factories.

The rank-and-file committee should appeal for joint strike action and factory occupations by workers at GM, Chrysler, Ford, auto parts makers and among local workers in Hamtramck, Detroit and southeast Michigan. This appeal must be taken across the border to auto workers in Canada and calls for solidarity action from American Axle workers in Mexico.

For the struggle to be successful, however, it must be tied to a political strategy to break the domination of the financial elite over economic and political life. Workers must break with the Democrats and build a mass political movement to take the auto industry out of the hands of the CEOs and bankers, and organize it as a public utility under the democratic control of its workforce.



To contact the WSWs and the Socialist Equality Party visit:

**[wsws.org/contact](https://www.wsws.org/contact)**