

# 2008 American Axle strike contains important lessons for Volvo workers

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After more than a month on the picket line, 2,900 autoworkers have returned to the assembly line at Volvo's New River Valley Plant in Dublin, Virginia, the largest Volvo truck plant in the world. The mood is restive, as workers discuss and process the betrayal that has just taken place.

The Volvo workers voted down three sellout tentative agreements pushed by the United Auto Workers. But last week the union forced a re-vote on the third rejected agreement, claimed that it passed by 17 votes, and sent the workers back to work without publishing the full contract. What is known is that the pro-company deal substantially raises workers' health care costs and keeps wage increases for many below inflation along with other concessions.

Although the UAW did everything it could to isolate the Volvo workers, not even informing its own members at other plants that the strike was taking place, news of the struggle in Virginia reached autoworkers in Detroit, Allentown and even Volvo plants in Ghent, Belgium, through the efforts of the newly-formed Volvo Workers Rank-and-File Committee, together with the *World Socialist Web Site*.

## **"It is identical to what happened to us"**

Workers who have followed the Volvo strike through the WSWs have drawn parallels between the conduct of the UAW this year in Virginia and their own experiences. One highly relevant parallel is the betrayal by the UAW of the 87-day American Axle Strike of 2008, when 3,600 workers in Michigan and New York struck against a threatened 50 percent wage cut.

After leaving workers isolated on the picket line for nearly three months, the UAW was able to force through a sellout agreement containing massive concessions, including a pay reduction from \$28 an hour to \$18.50 an hour to as low as

\$10 an hour at some locations. More than half of the 3,650 workers would lose their jobs.

The big American Axle Detroit-Hamtramck factory, formerly part of General Motors Saginaw Division and in operation for more than 90 years, closed in February 2012. The plant was demolished in 2013.

"What they are doing at Volvo is not only similar to what happened at American Axle, it is identical to what happened to us," said Cliff, a former worker at American Axle's Detroit-Hamtramck headquarters who now works at Ford's River Rouge assembly complex in Dearborn. "When we went on strike, they offered us the same plan after months, and they actually knew how long it was going to take to keep us out on strike before we were ready to vote [on] it.

"During the strike I overheard someone from the UAW International speaking to a union official. The official asked her how long she thought the strike was going to last. She gave an exact date. Sure enough, they kept us out until that exact date. We were out in freezing temperatures in the dead of winter.

"I would have been just two years away from retiring if the plant had not closed. And now, I see ads on job lead sites for American Axle for \$14 an hour..."

In 2008 the UAW provided American Axle workers with just \$200 per week in strike pay. In 2021, Volvo workers got \$275. "They don't pay more because that's part of the plan," Cliff said. "My message to the workers at Volvo is that you have to stay firm on your beliefs and you've got to have a support team to keep you going. You've got to have the revenue coming in for the strikers to hold up."

Rochelle, a public school teacher and member of the Michigan Educators Rank-and-File Safety Committee, remembers the 2008 strike well; her husband was an American Axle worker. "At the time we had three kids. Our youngest was six months old when they started the strike. She was born in August of 2007.

"We were getting the \$200 per week," she explained, "and we were paying over \$300 per week for day care, which we couldn't cancel or we'd lose our spot. I remember how

upset he was when they canceled his health insurance. Fortunately, I'm a teacher and my insurance covered the family, but many of his colleagues were the only working parent and had housewives and kids at home. I remember one who had four kids, and they were trying to support them based on \$200 per week." Like many families, she says, "They moved out of state after the strike."

Shortly after the strike began, American Axle CEO Richard Dauch threatened to close his US plants and shift production to Mexico and other low-wage countries if workers did not accept his demands. The UAW, which defends capitalism and regularly denounces Mexican and other foreign workers for taking "American jobs," had no answer to this blackmail.

Ultimately the UAW managed to push through a sellout contract that set a new benchmark in the permanent lowering of wages across the auto industry. Dauch boasted that the deal had reduced labor costs by 50 percent.

The betrayal at American Axle was part of an ongoing pattern of wage-cutting contracts imposed by the UAW. The strike took place soon after the UAW first imposed a two-tier structure at Ford, GM and Chrysler in late 2007, and one year before an expanded two-tier wage, set at 50 percent of standard base pay, was imposed for all new hires in the Obama administration's forced bankruptcy and restructuring of Chrysler and General Motors in 2009.

Starting wages for new hires at the Detroit automakers are now less than \$17 an hour, and even lower at parts plants. "They've transferred all that wealth from the working class to the elite," says Rochelle. "Now, the corporations are more powerful than ever."

Reflecting on the history of union betrayals leading up to the Volvo struggle, Rochelle explained that "sometimes you find it really hard to believe that the unions would be working against you instead of working for you like they are supposed to. But as more things come to light and they have no answer for their actions, which speak directly against their supposed purpose, we then have to re-evaluate.

"Their action, and inaction," she continued, "speaks volumes. As a teacher, I was upset to know about letters going back and forth between Biden and the AFT [American Federation of Teachers] about reopening schools," which resulted in the reduction of social distancing guidelines in schools from six feet to three feet. "I'm even afraid that our science is compromised," Rochelle said. "I truly believe it was about economics and getting parents back to work. It has nothing to do with learning loss."

During the American Axle strike, pseudo-left groups focused on upholding the authority of the increasingly discredited UAW. In particular, former UAW Local 235 president and *Labor Notes* supporter Wendy Thompson

sought to prevent workers from drawing the necessary conclusions about the UAW and breaking with the pro-business organization. In the *Shifting Gears* newsletter, Thompson wrote that workers should "send the negotiators back to the table" to fight for a better contract, claiming 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."

In 2021, *Labor Notes* posted just two articles on the Volvo strike, in which they ignored the role of the Volvo Workers Rank-and-File Committee, which led the opposition to the sellout by the UAW. Other pseudo-left publications, including Jacobin, associated with the Democratic Socialists of America with a claimed online readership of three million and 75,000 print subscribers, never mentioned the Volvo strike at all.

Rochelle says she hopes that with the building of independent committees, "the unions and all these forces will lose control of the narrative and people will wake up. That's what we need. It's frightening the amount of censorship that has occurred. It's a lever that they have in terms of control. If the strike isn't supported, the workers won't get what they are demanding.

"But if we put our heads together and work on these things, we can find solutions. The solidarity that they have at Volvo, it gives me goosebumps. It really is powerful. I hope they can continue to spread that energy where it needs to go, because they've got it right. It's just whether or not they find ways to really put *our* lever of control on these powerful forces."



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