

# Wall Street backs GM and Ford, while UAW bureaucracy accelerates moves towards sellout of Big Three autoworkers

Jerry White  
4 October 2023

*Join the next online meeting of the Autoworkers Rank-and-File Committee Network to discuss uniting workers for an all-out strike across the auto industry. Register here to attend. Sign up for text message updates on the auto contract fight by texting AUTO to (866) 847-1086.*

There are growing indications that United Auto Workers President Shawn Fain and the UAW apparatus are accelerating their preparations to announce a sellout deal at Ford or another Big Three auto company. At the same time, Wall Street is making clear it supports the efforts of the auto corporations to crush a growing movement of workers for higher wages and the reversal of concessions.

On Wednesday, Reuters reported that the UAW and Ford are closing in on a deal, and that Fain may not call any additional plants out on strike Friday, citing unnamed union officials.

The article stated: “Negotiators for the United Auto Workers and Ford Motor have narrowed their differences on pay increases after a new offer from the automaker amid ‘really active’ talks, people familiar with the bargaining among the Detroit Three automakers and the union said on Wednesday.”

It continued: “UAW President Shawn Fain plans to update the union’s 150,000 members at Ford, General Motors and Chrysler parent Stellantis on Friday, a person briefed on the union’s plans said. It is not clear whether Fain will order a fresh round of walkouts, or declare that sufficient progress has been made to delay strikes at additional plants.”

Autoworkers must be warned: Fain is working closely with the auto bosses and the Biden administration to impose a deal which would betray all

the core demands of autoworkers in exchange for defending the interests of the UAW apparatus. It is necessary for workers to organize now to prepare to override and defeat the UAW sellout which is being planned, through the expansion of the network of autoworker rank-and-file committees.

Meanwhile, reports this week revealed that General Motors and Ford have secured billions of dollars in credit from Wall Street banks to protect them against the impact of a potentially longer-term strike. The most powerful financial institutions are determined to beat back the demand of autoworkers, which they see as a threat to the continued ballooning of corporate profits and the stock market.

Citing a new financial filing by GM, Reuters reported Wednesday that the company has locked in a new, \$6 billion line of credit through October 2024, with JPMorgan and Citibank listed as joint lead arrangers for the deal. GM Chief Financial Officer Paul Jacobson told CNBC the line of credit was “prudent” given statements from some UAW officials “that they intend to drag this on for months.”

Reuters reported that Ford Motor secured a \$4 billion line of credit in August, ahead of the September 14 UAW contract expiration.

The United Auto Workers bureaucracy is continuing its attempts to disempower the nearly 150,000 autoworkers whose contracts expired on September 15 by keeping four out of every five on the job under UAW President Shawn Fain’s dead-end “stand up” strike policy.

The UAW has only called out 25,000 out of its 146,000 UAW members at GM, Ford and Stellantis and only struck five of the Big Three’s 24 US assembly

plants and none that produce their most profitable pickup trucks. Fain has also not called out any workers at the 47 critical engine, transmission and stamping plants owned by the Big Three, which, if struck, would quickly shut down the industry.

The UAW's pinprick policy has had a negligible impact on the automakers. General Motors reported Tuesday that it had seen a 21.4 percent sales gain in the third quarter, with nearly 2 million vehicles sold so far this year. Executives estimate the cost of the strike was \$200 million during the third quarter, a company spokesman said. This amounts to only 0.45 percent of the \$44.7 billion in revenue the company made in the last quarter.

Ford, for its part, reported a 7.7 percent rise in third-quarter sales on Thursday.

To win the demands that workers need—inflation-busting wage increases, cost-of-living protections, the abolition of tiers and rollover of temps to full-time positions, the restoration of pensions and retiree health benefits and protection against plant closures and layoffs in the EV transition—the rank and file will have to take the conduct of the struggle in their own hands and fight for an industry-wide strike.

Despite all his phony rhetoric about “transparency,” Fain has kept workers in the dark about the concessions he has already agreed to in the series of undisclosed proposals and counterproposals in recent days.

Fain and Ford have only released vague information about company proposals to convert current temporary workers with “90 days of continuous service to full-time status,” but nothing about how long future temps can be kept in their inferior status.

So-called “job security language” is evasively worded, along with supposed “product commitments” and promises of no job losses due to electric vehicle battery plants. It should be noted that the UAW claimed that it had won a “product commitment” and millions of dollars in investments for the Belvidere Assembly Plant as part of the 2019 UAW-Fiat Chrysler deal. Three and a half years later, the plant was closed and 5,000 jobs destroyed.

Contrary to the presentation in the media of “active talks” and a flurry of contract offers and counteroffers, the UAW leadership long ago agreed to management's terms. The main points of dispute, if there are any, are haggling over the UAW's access to dues and “joint

labor-management” structures with additional union positions at the companies' new electric vehicle battery plants, where the union leadership fully expects to oversee a new tier of lower-wage workers.

The surest sign that the UAW bureaucracy is preparing a betrayal is the sellout contract Fain & Co are trying to ram down the throats of 3,500 Mack Trucks workers in Pennsylvania, Maryland and Florida.

After announcing a “last-minute” deal to prevent a strike earlier this week, the UAW has not released the full contract and is trying to push through a deal based on “highlights” by Sunday. What has been released shows it is a complete sellout, with an average 4 percent a year pay raise over five years and the continuation of the hated two-tier wage and benefit system.

“What Fain is pushing at Mack is in sharp contrast to his super-cut video released yesterday afternoon,” a striking Toledo Jeep worker said. “He's talking about everything we deserve after all the UAW concessions in 2009, which he agreed to. The proposals from Ford about temps and other things look good on paper, but you have to read between the lines, because what isn't in there speaks louder than what's there.

“The Mack deal is an insulting, dirty deal. They rejected everything the workers asked for. Obviously, Fain is siding with the corporations. If this was presented to me I would crumple it up and toss it in the trash bin.

“Regardless of who is supposedly ‘making progress,’ we should all go on a full out strike. We have to build the rank-and-file committees, so we can look at all the deals the UAW is making, so we're not just looking at a narrow picture, but the whole picture, so we can see in real time the pattern of what they are taking away and we can fight it.”



To contact the WSWs and the Socialist Equality Party visit:

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