Deals between the Big Three and UAW shine light on the global class war

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Lehman works at Mack Trucks in Macungie, Pennsylvania. He ran for UAW president in 2022, winning almost 5,000 votes. He is currently suing the US Department of Labor for a rerun of the election over voter suppression.

The tentative agreements between the United Auto Workers and Ford, Stellantis, and General Motors are being universally praised in the media, by the UAW, and by the Biden administration as "historic," "record" contracts which will restore past concessions.

In a statement on Oct. 30, Biden said, "With this landmark agreement with GM, the UAW has now reached historic tentative agreements with all of the Big Three American automakers. This historic tentative agreement rewards the autoworkers who have sacrificed so much with the record raises, more paid leave, greater retirement security, and more rights and respect at work."

But any serious examination of the contracts' terms reveal that they are a continuation of the corporations' class war against workers.

The deals will fire the opening salvo in the attacks on jobs in the transition to electric vehicles. The Stellantis proposal targets 19 facilities for closure, and the Ford deal categorizes all employees at the massive Rouge complex in Michigan as "surplus" after December 1.

The contracts raise base pay only 25 percent over four and a half years, an increase which fails to make up for the massive decline in the value of workers' wages in recent decades. Inflation has risen more than 40 percent since the 2009 restructuring of the auto industry, meaning that autoworkers will still be making less in 2028 in real terms than they did 20 years ago.

Meanwhile, the cost-of-living adjustment (COLA) raises hailed by the UAW in the agreements will only offset a small portion of the relentless increase in consumer prices. The UAW estimates next year's COLA raise would be only $.45 an hour. This would be a raise of less than $5 a day, or less than $1,000 a year, which will be completely outstripped by the rise in the cost of gasoline, eggs, milk, internet, and phone bills, and other necessities, let alone rent or mortgage and car payments.

UAW President Shawn Fain has also claimed that the agreements would end the phenomenon of "perma-temps," in which temporary workers are kept indefinitely in an inferior, low-paid status. Fain's claim that "all temps will be converted to full-time" employment after 90 days is a cynical lie. The contracts with GM and Stellantis exclude the thousands of *part-time* temps from that provision.

From the beginning, the UAW's "stand up strikes" were a fraud. Only a few plants at each company were called out, while the majority of workers were ordered to stay on the job without a contract. The companies were allowed to continue production virtually unimpeded, even increasing their inventories by the end of the strikes. In a complete violation of workers' democratic rights, the UAW called off these limited strikes before autoworkers had even seen the contracts.

Automotive executives have made clear they welcome the deals and expect to counteract any modest increase in labor costs by increasing "efficiency" and finding other savings, as Ford's CFO said in an investor call last month.

What does Wall Street think? Just a few days after the UAW-Ford deal was announced, S&P Global raised the company's bond rating from junk to investment grade for the first time since 2020. The rating agency said they expected Ford to increase its profits “with adequate cushion in 2024 and 2025 given strong momentum in its commercial vehicle franchise and gradual cost reduction.”

Investment firm Barclays has estimated the UAW-Ford deal will cost the company approximately $1 billion to $2 billion a year—which, again, Ford is planning to make up for with speed-up and cost cuts. Even so, the cost of the deal is equivalent to 1 percent of annual sales, or 10 percent of Ford’s 2022 profits of $10 billion. This may seem like a “fair share” to Biden, but *all* of that wealth is produced by the labor of workers.

The main concerns of White House and the UAW leadership have been to contain the autoworkers’ strikes within carefully defined limits and ensure the companies’ “competitiveness” as they transition to EVs.

Fain and Biden also fear that a growing strike movement will undercut Washington’s plans to massively escalate and fund its wars. During the strike, Biden, Fain, and Ford’s chairman all praised the transformation of auto plants to military production during World War II.

As the Big Three strikes took place, global antiwar protests have erupted against Israel’s war against Gaza, which is being carried out with genocidal intent. In a statement last week, I called for the UAW to cease production at any factories which produce equipment and munitions for Israel, and for any furloughed workers to receive their full income. I did this because the war on the oppressed in Gaza is one part of a multifront war on the working class of the entire world.

The ruling elite are terrified of the radicalization of the working class, which is driven by the vastly unequal and unjust society they oversee. Last month, an article in transport industry publication *Freight Waves* bemoaned a “socialist fervor” growing among workers at Mack Trucks, where I work. It pointed to my criticism of the UAW’s concessionary deal—which Fain endorsed—and the role of the Mack Workers Rank-and-File Committee, which organized workers to reject the UAW’s deal by 73 percent.

UAW President Fain may think he has settled matters by calling off the Big Three strikes. But the UAW’s contracts will only intensify inequality and fuel the rank-and-file rebellion by workers.