

# **United States - Auto Workers Strike Wins Victory that Could Transform the U.S. Labor Movement**

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**The United Auto Workers carried out a 45-day strike against the Big Three U.S. auto companies—Ford, Stellantis, and General Motors—that in the contract negotiated in October won not only large wage increases and the elimination of tiers but also encroached on the corporations’ control over their plants and the industry. The United States has not seen a union lead a strike of industrial workers like this for decades. For the first time the UAW struck all three companies at once, using an escalating strike of strategically chosen plants that eventually involved 50,000 workers across the country and forced the corporations to yield.**

This strike has four significant results. First, in terms of wages, it will raise the wages of the 150,000 unionized auto workers by at least 25 percent over the next four-and-a-half years. It will also raise second and third tier workers to the same level as their co-workers, meaning a wage increase of more than 150 percent for some. Many temporary workers will become permanent employees. The new contract also restores the cost-of-living adjustment lost in 2008, which could lead to an additional 5 to 10 percent wage increase. By the end of the contract, auto workers will make \$82,000 per year, perhaps as much as \$100,000 with profit-sharing, bonuses and overtime. Auto workers will be significantly better off financially than they have been in decades.

Second, the UAW encroached on what are usually corporate prerogatives regarding investments. It made demands on the corporations that should protect union members as the industry makes the transition from internal combustion engines to electric vehicles. Ford and GM workers at new battery plants that the companies are building in Tennessee, Ohio, and Michigan will be covered by the union contract. And the union got Stellantis to reopen a plant in Belvidere, Illinois that it had closed last year.

Third, the strike also had political dimensions, strengthening the Democrats’ ties to the union. Senator Bernie Sanders joined Shawn Fain at a rally where he declared the UAW was waging a strike against “corporate greed and to tell the people on top, this country belongs to all of us not just a few.” In September in Michigan President Joe Biden became the first chief executive ever to join workers on a picket line. He did so to support the UAW strikers, to help achieve his green transition embodied in his trillion-dollar Inflation Reduction Act, and to compete with Donald Trump for workers’ votes. Biden said the new contract would, “reward autoworkers who gave up much to keep the industry working and going during the global financial crisis more than a decade ago.”

Finally, the UAW’s victory positions it to organize the non-union plants that produce half of all cars made in the United States. Toyota, Mazda, Honda, Volkswagen, Volvo, BMW, Mercedes and Hyundai have all been hiring more workers. The UAW has already announced it is launching campaigns to organize Toyota and Elon Musk’s electric Tesla. Toyota in response increased its workers’ wages,

though less than the UAW contract would have.

For forty years, U.S. labor unions, especially unions of industrial workers, hardly struck at all. Union leaders—partners with the corporations, bureaucratic, and, like the old UAW leadership, sometimes corrupt—negotiated concessions that gave away workers' wages, health care benefits, pensions, and power in the workplace. Workers felt economically cheated, alienated from their jobs and their unions, and deeply demoralized. Now the UAW has vindicated the strike as labor's most important weapon. UAW president Shawn Fain declared the union was striking not just for auto workers but for the whole working class against the billionaire class. And this strike does seem to have opened a much bigger battle for workers' power.

**Dan La Botz**

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