

As two-week strike cuts production by 80 percent

## GM official threatens to slash more US jobs

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Strikers at GM's Delphi Flint East Complex

A top General Motors executive said the company would "reassess" its investment plans in its US factories if workers did not accede to GM's demands for increased productivity and the scrapping of work rules, and if strikes against the auto maker continued. Donald Hackworth, vice-president and group executive of GM's North American car group, told reporters in Detroit, "We plan to invest \$21 billion in product programs and facilities in the United States between 1997 and 2002. But investments will be predicated on sound business decisions. When you have strikes and noncompetitive work practices ... and it's going to dip into your cash, you reassess those plans," Hackworth said.

The GM executive issued his thinly-veiled threats as the ripple effect of the strike by 9,200 Flint workers idled 84,000 other workers at 19 of 29 GM assembly plants and scores of parts plants throughout the US, Canada and Mexico. Thirty-four hundred workers, members of UAW Local 659, struck the car company's Flint Metal Center on June 5. They were joined by 5,800 Local 651 workers at the company's Delphi Automotive Systems Flint East complex on June 11. The two plants produce hoods, fenders, engine cradles, speedometers and instrument clusters used in virtually every GM vehicle produced in North America.

Negotiations produced no results Thursday, and the strike is expected to last at least until mid-July as UAW officials are leaving soon for a national convention, and shortly afterwards

the auto maker's annual two-week production shutdown is scheduled to begin.

On Wednesday, the two strikes led to the closure of GM's Shreveport, Louisiana plant which produces its highly profitable sports utility vehicles. The walkouts have also led to the closure of the first facility outside of North America, a small parts plant in Singapore. The company is reportedly considering a legal challenge to prevent the 55,000 workers laid off at its US plants from collecting unemployment benefits.

Auto workers are fighting against GM's continuous efforts to eliminate jobs. On Wednesday hundreds of auto workers and their families rallied in Flint. Workers came from as far away as Shreveport, Louisiana to join the strikers in their fight to defend jobs, not only of current workers, but for future generations.

GM has eliminated 297,000 hourly jobs in the last two decades, following the same pattern carried out by other US auto makers such as Chrysler and Ford. It has utilized advances in technology to slash jobs and has outsourced to lower wage regions in the United States, Canada and Mexico. With 100,000 workers qualifying to retire in the next few years, the company hopes to slash another 50,000 jobs through attrition. In the last four years alone GM has cut some 44,000 jobs.



Strikers and supporters in Flint

Workers in Flint are particularly concerned. The company has eliminated 50,000 jobs there since the late 1970s and plans to eliminate another 11,000. Flint has lost a third of its population since the crisis in the American auto industry began in the late

1970s.

In 14 days, the Flint strikes have reduced GM's projected second quarter profits by about \$200 million and cut its vehicle production by 80 percent. The company is expected to be completely shut down in the next few days. GM executives and Wall Street analysts agree that the company must take the short-term losses in exchange for long-term gains in productivity increases, cost-cutting and profitability. Confronting falling market share and a crisis of overcapacity in the global auto industry, GM, the world's largest auto maker is seeking to improve its position by cutting labor costs and driving up output.

In the eight previous strikes against GM called by the UAW in the last three years, union officials have accepted local agreements that maintain their role in crafting management's business strategy, while the assault on jobs and working conditions has continued unabated.

The *World Socialist Web Site* spoke with striking workers at GM's Delphi Automotive Systems Flint East complex.

An electrician with 15 years told the WSWS, "It's been doom and gloom since I came to this plant. I figure, at most there will be another five to seven years at this plant and then I'm out on the street looking for work.

"There is no question that the technological advances, like robotics, have reduced GM's need for manpower. We can't keep our heads in the sand and ignore these changes. But the UAW has kowtowed to the changes in work rules for years and given up jobs. But that hasn't stopped the company from asking for more. To me, the UAW is a business, like GM.

"All we want is a good living. We want jobs so we can send our kids to college, feed the family and have a decent retirement. But the owners of GM, they want to make zillions. What's really enough for them? It's the whole system. They say, 'Hey, we've got these guys in this plant to work this cheap or this fast, so you have to do better or we'll shut you down.'"

Another worker with 15 years at the plant said, "We're out here for job security. They are jobbing out our work a lot more than the union agreed to. In 1995 we had a strike here and they agreed to keep jobs. Now it seems that our plant is just one of the ducks they are lining up to get rid of. If they get rid of these jobs there isn't going to be anyone left around Flint who will even be able to afford a new car.

"To me they are just doing this for the short-term gains of the big stockholders. The big guys applaud when they wipe out jobs and then they give the corporate CEO a big bonus. We know that globalization is a reality, but we're fighting because nobody should be working for \$35 a day like GM is doing to the workers in Mexico."

A worker who hired in after the last strike three years ago said, "We started out with this management-employee concept and now they want us to stand on this picket line and wave goodbye as they pull out our jobs. 'Work as a team,' they say,

as they take your job and throw you out on the street.

"Six or seven hundred of us were hired in after the last strike. We were the first ones hired in years. We started out at lower wages and took three years to get up to standard.

"All that GM wants is the cheapest labor. I agree that workers here should fight to bring Third World countries up, otherwise the companies will always be shifting jobs to lower wage areas. But the truth is, when Mexican workers raise their wages, GM is going to shift production somewhere else. It's going on all over. Daimler-Benz is merging with Chrysler and coming to the US for lower wages. They are going to screw the people who worked for them for years.

"Ford and Chrysler used the bad economy in the 1970s and 1980s to slash jobs. Now GM is trying to catch up when the economy is booming. For years we were told: help the companies get profitable and when they do, we'll all benefit. It's a lie. The companies are making more and more profits and we're losing our jobs.

"As far as the UAW is concerned, [UAW President Steven] Yokich is probably out there playing golf with the head of Chrysler Corporation while we are on the picket lines. Out there at Buick City the local UAW leadership kept saying to GM, 'We'll work with you, we'll work with you.' They are shutting the plant down anyway."



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