Flint strikes force GM to idle more plants

Global changes in auto industry underlie struggle over jobs

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The ripple effect of strikes at two key parts plants in Flint, Michigan continue to spread throughout General Motors' North American operations, with no progress reported in contract talks between the auto maker and two locals of the United Auto Workers union.

Some 5,800 workers at GM's Delphi East Complex went on strike June 11, joining 3,400 workers at the Flint Metal Center who walked out June 5. The Delphi workers, members of UAW Local 651, produce key electronic instruments, such as speedometers, and other engine components. As of Monday afternoon, the combined impact of the two strikes had forced the closure of 13 assembly plants and dozens of parts operations, and idled more than 50,000 workers in the US, Canada and Mexico.

By the end of last week 45 percent of GM's production capacity had been halted, and four additional assembly plants—in Detroit; Doraville, Georgia; Shreveport, Louisiana; and Ste. Therese, Quebec—were expected to close by June 16. If the strike continues through the week, virtually all North American operations will come to a halt.

The overriding issue in the strikes is the defense of jobs. The workers at both plants are fighting the company's drive to cut costs and slash jobs, and the worsening conditions that accompany the downsizing: speedup, forced overtime, an increased incidence of injury and death on the job and the emotional and physical toll of constant economic insecurity.

Over the past 20 years GM has cut 297,000 jobs, or 57 percent of its hourly work force in the US. Auto analysts say the company plans to eliminate another 30,000 to 50,000 jobs over the next several years.

Flint, the site of the 1937 sit-down strike that gave birth to the UAW and sparked a nationwide struggle to organize basic industry, has been hit by massive job cuts over this period. GM has reduced employment in the city from nearly 80,000 to 27,000. Another 11,000 GM jobs in the city are threatened, including 2,700 at the Buick City complex, which is slated to close next year, and 2,500 at Delphi East.

The UAW leadership has put up no serious resistance to the wave of plant closures and layoffs. Instead it has sought to collaborate even more closely with GM. As a result, the generation of workers who entered the factories in the 1960s have seen their conditions undergo a steady deterioration, to the point where they must work harder and longer to earn a living at the age of 50 or 60 than they did in their youth. For the most part their children and grandchildren are forced to labor in low-wage shops under conditions that would have been unthinkable in Flint 20 years ago. The city as a whole has seen a steady growth of poverty.

Big business and the media have lined up solidly behind GM and backed its intransigent position in the current contract talks. Typical is the headline in the June 12 *Wall Street Journal*: "For GM, a Hard Line On Strike Has Become a Matter of Necessity."

The stance being taken by GM is not an aberration. Its policies are essentially the same as those being carried out by every auto company, not only in the US, but internationally. In recent months Renault has announced plant closures in Belgium and Spain. German companies such as Volkswagen and Daimler-Benz have shifted production to low-wage regions in Eastern Europe and elsewhere. And it is an open secret that once the common European currency takes effect, the downsizing and consolidation of the European auto industry will be stepped up. IG Metall, the German union, predicts the country's auto industry will slash 200,000 jobs by the year 2010.

Japanese carmakers such as Nissan have carried out mass layoffs and plant closures, and entire auto companies are being liquidated in those Asian countries hardest hit by the currency and banking crisis. The same basic pattern is at work in Australia, Britain and every other traditional center of auto production. If GM is leading the assault on jobs in the US at the present time, it is largely because Ford and Chrysler outdid the number one carmaker in slashing jobs during the 1980s.

GM's policy of eliminating jobs and shifting production to lower-wage regions is part of a vast, international restructuring of the auto industry, which has two main, interrelated features. First is a qualitatively new level of global integration. Second is a thoroughgoing consolidation of production, distribution and marketing facilities.

The sharpest expression of this process to date is last month's announcement of a merger between Daimler-Benz and Chrysler. The merged company will be a model of the transnational giant of the twenty-first century, straddling continents, breaching national borders, and putting aside differences of language and history to produce on a global basis for a world market. These behemoths will utilize the revolutionary developments in computer technology and telecommunications to move their factories to whichever regions offer the cheapest labor.

But the new Daimler-Chrysler is only the beginning. Negotiations are already under way for the involvement of an Asian producer in the operations of the merged company. And Volkswagen has in recent weeks announced its intention of acquiring Renault.

The unstoppable tendencies toward the globalization of production—by no means limited to the auto industry—inevitably mean a shakeout in which many long-established auto companies will disappear and the world market will be carved up between a handful of transcontinental giants.

Overcapacity

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A major driving force behind this combined process of globalization and consolidation is an enormous crisis of overcapacity in the auto industry. It is estimated that there presently exist 80 assembly plants in excess of the number needed to satisfy world market demand. In other words, even if the entire US auto industry were to be removed from the equation, there would still be a glut on international markets.

This crisis is itself an expression of the intrinsic anarchy of the capitalist system. The vast gains in labor productivity—the fact that workers produce more, faster and better than ever—becomes, within the framework of a system based on production for private profit, not a blessing for workers, but a curse. The rival car companies are driven to produce far more than they, in their totality, can possibly sell at a profit. The solution dictated by the system is the elimination of plants, machines and hundreds of thousands of jobs, with all of the human misery that goes with it.

The UAW has demonstrated that it is neither willing nor able to resist the attacks of the auto companies. The reasons for this go beyond the personal cowardice or corruption of individual union bureaucrats. They are rooted in the basic political outlook of the trade union apparatus, and the social interests of the labor bureaucracy.

In the first place, the UAW defends the profit system. It therefore starts from the same premises as GM and the rest of the auto companies. Since, as far as the UAW is concerned, workers must subordinate their interests to the requirements of the capitalist market, the "defense of jobs" cannot mean a genuine struggle to defend the jobs of all auto workers. Rather it is a euphemism for a divisive and ultimately self-defeating attempt to convince the company that other workers—those who do not pay dues to the UAW—should be cut. This position goes hand in hand with an attempt to convince the company that it can extract greater profits by using the services of the UAW to discipline the rank and file and assist management in introducing cost-cutting measures at its existing plants, rather than shifting production elsewhere.

Inseparably bound up with the bureaucracy's defense of capitalism is its nationalist orientation. In the current strike struggle, the UAW leadership is attempting to stir up chauvinism by denouncing GM for an "America last" policy.

Such a policy is both reactionary and futile. Modern industry and economic life are international, and will become increasingly so. This is an expression of the growth of man's technological mastery over nature and the increasing power of his productive forces. To oppose globalization and demand instead a return to the narrow confines of the national market is to adopt a regressive position. The problem for the working class is not the predominance of the world economy over the national, but the fact that economic life remains based on the inherently exploitative and anarchic system of capitalism.

As is abundantly clear from the Chrysler-Daimler merger, the capitalists have drawn definite conclusions from economic facts and recognized the need to overcome whatever nationally oriented prejudices they retained to meet the demands of the global market. The fact that these companies were not so long ago producing tanks and bombers to destroy one another has not stopped them from uniting to more effectively compete against their corporate rivals and more thoroughly exploit their workers.

Big business today proceeds from a world strategy and the need for global organization. If workers are to defend their interests, they must do the same. GM workers in Flint cannot defend their jobs if they are isolated from and pitted against Opel workers in Germany or Holden workers in Australia, not to mention GM workers in Canada, Mexico and Latin America. To proceed today from the nationalist standpoint of the union leadership makes no more sense than Flint workers in the 1930s pursuing a strategy of building the UAW in a single city.

In practice, the nationalist perspective of the UAW dovetails perfectly with the company's strategy of divide and conquer, which it employs not only across national borders, but within the US as well. Only a few years ago the UAW descended into a bidding war between the Willow Run assembly plant local in Michigan and the Arlington, Texas local, in which each set of bureaucrats tried to convince the company to close the other's factory. More recently the bureaucracy at the Buick City local in Flint placed ads in the *Wall Street Journal* and other business newspapers making the case for the closure of other plants, including UAW facilities, rather than their own.

The UAW's policies of class collaboration and nationalism come together in its political alliance with the Democratic Party. This bloc with one of America's two big business parties is aimed at preventing the emergence of an independent political party of the working class. It has led the workers' movement into a blind alley, and the longer it goes unchallenged, the more devastating the consequences.

Strikes and other forms of industrial action are necessary weapons in the arsenal of the class struggle. But in and of themselves, they are inadequate to halt the onslaught on jobs and living standards. They must be combined with a political struggle waged by the working class, not only against one or another employer, but against the profit system as a whole. Workers around the world must counterpose their own perspective for the development of the productive forces, in a rational and socially progressive way, to the socially destructive drive of the financial elite for their own further enrichment.

This presupposes the building of a mass, independent political movement of the working class, whose goal is achieving state power. Only when the laboring masses have political power, in the form of a democratic workers government, will they be able to carry out the fundamental economic changes of a socialist character needed to reorganize the economy in accordance with the needs of the people.

The current struggle at General Motors underscores the need for the building of a new, political organization of the working class. The Socialist Equality Party puts forward a socialist and internationalist program as the basis for the construction of a mass workers party.

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