

# GM files suit against Flint strike

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General Motors filed a lawsuit in federal district court in Detroit Tuesday, seeking to have the strike by two United Auto Workers locals in Flint declared illegal. It is the first time in decades that the giant automaker has sought an injunction against a strike authorized by the union.

The lawsuit seeks expedited arbitration of a grievance filed by the company against the UAW before the National Labor Relations Board. It asks the court to find the strike illegal and award GM damages. The potential liability from the suit is staggering, since the company has already reported losses of over \$1.2 billion from the six-week shutdown, a sum that would exhaust the assets of the UAW.

GM has never before sought to collect damages for a legally authorized local or national strike. In the past, such punitive legal measures were reserved for wildcat strikes.

The Flint strike has now become the costliest local dispute in the history of GM, and has shut down the company for a longer period than any walkout since the 67-day national strike in 1970, before most of the present work force entered the auto plants.

GM reported Tuesday that its second quarter profits were only \$389 million, down from \$2.1 billion in 1998. The bulk of the decline was due to the shutdown of North American car and truck assembly, although there were also profit declines from GM operations in Europe and Asia. The company's cash hoard has been reduced by one-third, from \$13.6 billion in March to \$9.1 billion June 30, and it has temporarily halted a stock buyback program aimed at boosting the price of its shares.

Acknowledging the enormous cost of the strike, GM Vice President David Hackworth said, 'Looking at it in actual dollar terms, it's hard to justify, but our long-term viability is on the line.' Rick Wagoner, president of GM's North American operations, had a similar

message for GM employees in a broadcast over closed circuit television to GM white-collar workers and other nonstrikers.

The company announced it was reviewing \$21 billion in capital expenditures planned for North America over the next several years to identify targets for possible cuts. 'All the company's operations are under review,' GM officials said in a filing with the Securities and Exchange Commission. A GM board meeting is set for August 3 to discuss a sweeping reorganization of corporate marketing with the goal of eliminating thousands of white-collar jobs.

*Detroit Free Press* business writer Doron Levin, in a column on the newspaper's front page, asked, 'Could labor pressures within GM become so great that it can't avoid a massive blowup, a cataclysmic quake that will forever change the relationship between the automaker and its blue-collar workers?'

While GM seeks to demonstrate to Wall Street that it is serious about imposing a major and public defeat on the auto workers, the UAW bureaucracy continues to spread complacency and downplay the critical character of the struggle. The union's chief negotiator in the strike, Vice President Richard Shoemaker, told the press:

'Part of the problem here, at least from our perspective, is an awful lot of people convinced somebody that this was going to be the final battle between the UAW and GM over a lot of issues the analysts would like to see addressed. And most of those issues aren't issues in these disputes.'

These comments are typically short-sighted. They underscore the crisis facing the striking workers. To prevail against GM and defend jobs, it is necessary to reject the perspective of the Solidarity House bureaucracy, which accepts the subordination of workers' needs to the profit system, and wage a struggle based on a new political perspective, aimed at uniting

auto workers internationally against the domination of economic life by the transnational corporations.

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