After the defeat of the GM strike: What way forward for auto workers?

The WSWS Editorial Board
3 August 1998

The starting point for a serious assessment of the General Motors strike is to state bluntly the truth about its result. After 54 days, the longest shutdown of GM since the 1970 national strike, the struggle ended in an unmitigated defeat for GM workers and auto workers in general. The outcome will have the most serious consequences in the coming weeks and months.

This is only the latest in a long line of defeated strikes, smashed locals and contract concessions going back to the Chrysler bailout of 1979-80 and culminating in the debacle at Caterpillar. Given the obvious failure of the policy of the United Auto Workers, and its proven inability to mount an effective struggle against the auto companies, workers face the need to draw a balance sheet of the entire outlook and program of the union, and begin the process of rebuilding the labor movement on fundamentally new foundations.

No one can seriously claim, including those who voted to approve the agreements that ended the strike, that any of the demands of the workers were met. On the contrary, the UAW caved in to all of the demands of GM and Wall Street for downsizing and cost-cutting.

The agreement accepts the axing over the next 18 months of 1,300 of the 9,200 jobs at the two Flint, Michigan plants that went out on strike in June, precipitating the eventual closure of virtually all of GM's North American operations. The deal moreover allows for further plant closings and layoffs at other GM locations. It also establishes new machinery at the highest level of the company and the union to suppress further resistance to downsizing, forced overtime, unsafe working conditions and speed-up.

Given the record of the UAW, particularly over the last two decades, the outcome of the strike was entirely predictable. Nevertheless, this betrayal marks a new point of departure in the disintegration of the UAW. The auto union long ago stopped calling national strikes against the Big Three American car companies, in line with its embrace of the corporatist policy of labor-management "partnership." With this latest settlement, it has given up the local strike weapon as well.

The UAW acknowledges that the agreement includes a no-strike pledge at the Delphi Flint East plant and two Dayton, Ohio brake plants, in exchange for a company commitment to put off closing or selling the plants for some 16 months. But the agreement goes even further. GM is telling Wall Street that the UAW gave a blanket pledge not to call any local strikes before a new national contract is signed in late 1999.

Thus the union has promised labor peace while the company accelerates its downsizing campaign. Wall Street considers the cutting of some 300,000 GM jobs since the late 1970s to be inadequate. It is demanding an additional cut of 38,000 to 50,000 jobs over the next few years. On August 3 GM's directors and executives are reviewing a plan for the shutdown of more assembly plants, the selloff of the Delphi parts division, and the elimination of tens of thousands of manufacturing and white-collar jobs.

The UAW's capitulation will encourage all of corporate America to press ahead with its assault on the working class. On the same day the GM settlement was reached, Chrysler chairman Robert Eaton announced that his company would seek further cost savings and productivity increases from UAW members in next year's national contract.

UAW President Stephen Yokich and Vice President Richard Shoemaker called off the Flint strike despite the solid position of the rank and file. Indeed, a major factor in the UAW's capitulation was evidence of growing militancy and anger among the workers. On the eve of the walkouts in Flint, workers at GM's Mansfield, Ohio plant threatened to strike after the company transferred stamping dies from the Flint Metal Center to their plant. The UAW International stepped into to squelch the protest.

Then UAW locals in Michigan, Ohio, Kentucky, Wisconsin, and the Saturn plant in Tennessee voted to authorize local strikes. When management reopened plants using parts from outside suppliers, GM workers in Romulus, Michigan and Bowling Green, Kentucky held angry protests and disrupted production.

The overwhelming strike vote at the Saturn plant presented the UAW leadership with an ominous indication that workers were turning away from the corporatist policy promoted by the union since the early 1980s. Saturn was established as a model of union-management partnership, with its own contract based entirely on the premise that workers had no interests independent of those of the company.

The UAW leaders feared that an escalation of the confrontation could lead to the eruption of other unsanctioned job actions, including wildcat strikes and the defiance of a possible federal back-to-work order. The union officials' rapid acquiescence to GM's demand that the legality of the Flint strikes be decided by an arbitrator demonstrated how eager the union bureaucracy is to give up, in practice, the right of workers to strike.

At no point did the UAW officials even consider calling out the union's half million members in the auto industry. The AFL-CIO, headed by President John Sweeney and Secretary-Treasurer Richard Trumka, remained silent throughout.

The central issue in the strike was the fight to defend jobs. Workers walked out to oppose the relentless downsizing and movement of jobs to low-wage regions, which had already led to the loss of nearly 50,000 jobs in the Flint area alone since the 1970s.

In taking a stand against GM's attack on jobs and its pursuit of cheap labor, the GM workers were objectively thrust into a confrontation against the entire auto industry and its major Wall Street investors. Downsizing has been used for the last two decades to undermine job security, build up a reserve of unemployed workers and undercut the efforts of employed workers to maintain their wage levels and working conditions. This has been at the heart of the profit boom of the Big Three auto companies and corporate America as a whole, and the spectacular rise of share values on the stock exchange.

Federal Reserve Chairman Alan Greenspan, in remarks before Congress last month, in the midst of the GM strike, summed up the attitude of the entire ruling class to the auto workers. The most powerful representative

of US bankers alluded to the strike as a worrisome sign that the "reservoir" of unemployed workers was contracting. He all but demanded the defeat of the GM strike, warning that "increasingly confident workers might place gradually escalating pressures on wages and costs."

The struggle at GM was more than a battle between one section of workers and a single employer. It was a collision between two irreconcilably opposed social principles. GM represented the entire class of capitalist owners and investors and their insistence that the human needs of workers be subordinated to the imperatives of the market. The strikers stood for the whole of the working class, whose most basic needs—secure and decent-paying jobs, health care, education, housing—can be fulfilled only if society is reorganized in the interests of those whose labor produces the wealth.

The basic issue in the GM strike was not simply "corporate greed." It was not at heart a matter of subjective motives or the excesses of a particular company. The basic issue was the conflict between the working class and the capitalist system.

GM tacitly acknowledged this in the course of the strike, when it threw down the gauntlet to the UAW and declared the union was violating the law because it was challenging the prerogative of the company to determine investment policy and employment levels. The UAW leadership immediately denied the union was doing any such thing.

That, however, was precisely the issue in the strike, and remains the issue in its aftermath. Who, indeed, is to determine how the resources and wealth created by working people are allocated? On what social principle is the economy to be organized? The UAW leaders start from the same standpoint as the company: that the capitalist owners have the right to make the basic decisions that affect the lives of millions of working people. That is why the union is incapable of putting forward a viable program to defend the jobs of auto workers.

To fundamentally change the present economic order, working people must wage a struggle against the political system which maintains it. The reorganization of economic life to meet the needs of working people, not corporate profit, means ending the political domination of big business over society. It is therefore a political struggle, which can be waged only when the working class breaks from the two parties of big business and builds its own, mass independent party.

The UAW's alliance with the Democratic Party exists above all for the purpose of preventing the construction of such a genuine party of labor. The UAW's support for the Democrats and Clinton worked entirely against the auto workers during the GM strike.

Clinton and his Labor Secretary Alexis Herman were in constant contact with the UAW leadership, pushing it to end the strike on the company's terms. Fed Chairman Greenspan's statements before Congress exposed the myth that the Clinton administration was "neutral." Clinton not only reappointed Greenspan in 1995, he has regularly praised the policy of the Federal Reserve.

A viable strategy to defend jobs must proceed from the fact that the auto industry, more than ever before, is a global enterprise. Workers confront vast transnational corporations, and they can only successfully be fought on an international basis.

The UAW is opposed to the unity of auto workers throughout the world for the same reason that it opposes the fight against the private ownership of the auto industry. The privileges and perks of the UAW officialdom are based on the defense of American big business at home and overseas.

As all workers know, the corporations use their global presence as a weapon against workers in every country. The ever-present threat that the company will close a plant and move to a lower-wage region in the US or abroad is used to hammer down workers' resistance. For US auto workers the struggle against the movement of jobs to low-wage areas is a matter of survival. The question is, on what basis can this be struggle be effectively waged?

It cannot be waged on the basis of the UAW's nationalist orientation, which pits American workers against their class brothers and sisters in other countries and plays into the hands of the corporations. It can only be based on an international strategy that counterposes the global unity and power of auto workers to the global reach of the auto giants. The precondition for such a strategy is the defense of the jobs of all auto workers, whether American, Mexican, Canadian, European, or Asian.

During the strike there was not the slightest attempt by the UAW to unite American workers with their counterparts in the rest of GM's global empire, particularly in Mexico. Instead there were repeated eruptions of anti-Mexican chauvinism from union officials, which at times were echoed among sections of the rank and file. GM exploited this, telling Mexican workers not to support the strikes because the UAW wanted to throw them out of their jobs.

The present impasse confronting auto workers is the logical outcome of the policies adopted by the UAW and the CIO more than a half century ago. The UAW emerged as the product of immense struggles by workers in response to the collapse of capitalism and the poverty and mass unemployment of the Great Depression.

At its inception, the UAW was seen by millions of workers as not merely a organization to bargain for better wages, but rather a vehicle of social struggle for fundamental change. In the working class upsurge of the 1930s, the UAW took a stand on critical social questions, such as the struggle against racism, and fought to unite American workers with their class brothers in other countries, particularly Canada.

Its members were profoundly influenced by radical and socialist ideas, and inspired by the fight for industrial democracy and an end to the despotic rule of "America's 60 Families." Those who played the most important role in the 1936-37 Flint sitdown strike, which forced GM to recognize the UAW, were members of political parties that called for the establishment of a socialist America.

From the beginning these militants struggled against the narrow, conservative and pro-capitalist outlook of the labor bureaucrats. The aspirations of auto workers for independent political action found expression in the UAW's founding convention, which endorsed the call for a labor party.

The top leadership of the UAW and the CIO (the industrial union movement formed in the 1930s) saw to it, however, that the perspective of an independent party of labor was never realized. During World War II the UAW and CIO leaders institutionalized their alliance with Roosevelt's Democratic Party and abandoned any struggle for greater democracy, social equality, or radical change.

The support of the UAW for the profit system found its most noxious and destructive expression after World War II in the purge of left-wing and socialist militants from the union and the lineup of the union behind the US's Cold War policy. Any concept of fundamentally changing American society and fighting for social equality was either attacked as "communist subversion" or derided as a distraction from the unions' fight for "bread and butter" issues. To the extent that auto workers bought into this outlook during the period of the postwar boom, they were completely unprepared when the position of American capitalism changed in the 1970s and big business launched an offensive to take back what it had conceded to the workers.

When Chrysler faced bankruptcy in the late 1970s and early 1980s, the UAW's policy of class collaboration was transformed into outright corporatism. UAW officials joined the company's board of directors and the union declared that the struggle between workers and the employers had been superseded by the fight of the American auto companies against their European and Japanese competitors.

On this basis the UAW collaborated with the US Big Three auto makers in the elimination of more than half a million jobs, the shutdown of scores of plants, wage and benefit concessions and the destruction of working

conditions. The UAW leaders said the concessions were only temporary measures required by the slump in auto profits. Once the companies returned to profitability, largely on the basis of massive sacrifices imposed on the workers, the auto bosses would supposedly restore lost wages and conditions. But as workers have learned through bitter experience, hard-fought gains that are given up can never be restored without a fierce struggle.

The common thread of this history is the subordination of auto workers to the needs of US big business. In last month's strike, Yokich and Shoemaker went to great lengths to assure GM that the UAW would not stand in the way of its downsizing efforts, but only wanted to be a partner in the process.

It has reached the point were the union cannot even make a serious pretense that it defends the interest of its members. The UAW officials' real outlook was exposed in a slip of the tongue, when Vice President Shoemaker, announcing the Flint agreement, said it would establish a new relationship between "both corporations." The union bureaucracy looks at the UAW as a money-making operation. In return for smothering the class struggle, the union officials protect the perks and privileges they derive from collaborating with management.

The bitter defeat at GM has underscored once again the necessity for auto workers and the entire working class to adopt a fundamentally new strategy and build new organizations of struggle. The early history of the UAW and the class battles that proceeded it going back more than a century make it clear that the struggle for socialism and internationalism are by no means alien to the best traditions of the American working class. These traditions must be taken forward today in the building of a new political party to fight for international socialism. This is the perspective advanced by the Socialist Equality Party in the US.