

General Motors closes Buick City complex in Flint, Michigan

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On June 29 General Motors closed the doors of its Buick City complex in Flint, Michigan, its last operating assembly plant in the city. The plant closure deals a further blow to the industrial city, the birthplace of both the giant car company and the United Auto Workers union, that has lost tens of thousands of auto jobs over the last two decades.

GM is ending Buick production in Flint, where the large model cars have been made since 1904. The 235-acre Buick City facility had only 1,200 workers left—1,000 full time employees and 200 temporary workers—a fraction of the 28,000 auto workers who once produced cars there during the peak production years of the mid-1980s. Many of higher-seniority workers are expected to retire or will be forced to transfer to other plants throughout the country.

In 1984 GM brought together a half dozen factories to form the massive complex and dubbed it Buick City. This was supposed to be GM's answer to rival Toyota City and a symbol of the US carmaker's determination to fight foreign competition. Since then, however, the company's share of the car and truck market share has declined from around 40 percent to 30.7 percent in 1997.

GM is consolidating its large car production because of greater demand for its more profitable light trucks and Sports Utility Vehicles. Production of Buick LeSabres will be transferred to more modern large car plants in Detroit/Hamtramck and Lake Orion, near Pontiac, Michigan.

The plant closing is part of GM's strategy to eliminate between 38,000-50,000 jobs in its North American operations over the next few years. Since the late 1970s the world's largest carmaker has eliminated over a quarter of a million jobs, including nearly 50,000 in the Flint area alone. Wall Street, however, has criticized

GM for not carrying out the same pace of job-cutting that has made number two automaker Ford more efficient and profitable.

GM employment in the Flint area has fallen from 77,000 workers in manufacturing and office centers in 1978 to 33,000 today. The number of GM jobs is expected to dwindle further to 22,000 in the next few years. The official unemployment rate in the city is 9.7 percent, more than double the state average, and the bulk of better-paying auto jobs have been replaced with low-wage employment in the service sector.

The United Auto Workers union has been unwilling and incapable of resisting GM's unrelenting downsizing. On the contrary, in the name of boosting GM's competitiveness and profitability, the UAW has aided GM in cutting labor costs and suppressed every struggle by rank-and-file autoworkers against plant closings and mass layoffs.

In 1997 when GM announced its plans to shut the assembly plant at the heart of the Buick City complex, UAW Local 599 argued that this was an unwise business decision and pledged that the union would work to increase speedup, impose more forced overtime and carry out whatever measures were needed to boost production and profits.

The Local 599 leadership went so far as to spend \$4 million to place full-page ads in the *Wall Street Journal* and *Investor's Business Daily*, aimed at convincing GM stockholders that they would get a better return on their investment if the Buick City plant were kept open, and a different UAW plant was closed down. The ad featured the results of an internal GM quality report, comparing the performance of 19 GM assembly plants, including Lake Orion, Detroit/Hamtramck and Lansing, Michigan. Under the headline, "The Standings," the ad lists Buick City in second place, topped only by the

joint GM-Toyota operation in California.

Last summer two strikes erupted at GM parts plants in Flint, which virtually closed the automaker's North American operations. While hundreds of thousands of auto workers in Flint and elsewhere were seeking to fight GM's attack on jobs, the UAW agreed to a contract that eliminated 1,300 of the 9,200 strikers' jobs, paved the way for further plant closings and layoffs and included a pledge not to call any further strikes until the settlement of 1999 national contract. Throughout the 44-day strike the UAW International leadership made it clear that it was not challenging GM's decision to close Buick City.

In the current round of auto talks for a new contract with GM, Ford and DaimlerChrysler, the UAW leadership has already indicated that it is willing to sign a long-term agreement that will give the Big Three auto companies a further green light to close plants and eliminate jobs.



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