

# Ford job cuts will devastate working class communities

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The recent announcement by Ford Motor Company that it will eliminate up to 30,000 jobs within the next six years will have devastating consequences for the workers directly involved, as well as the communities where they reside.

Ford's job-slashing follows an announcement by General Motors that it will also cut 30,000 jobs. Since 2000 the US auto industry has already cut or is in the process of eliminating 140,000 production jobs and another 60,000 white-collar positions, with the bulk of the losses occurring in the industrial Midwest, according to analysts' figures.

The downsizing of the auto industry is expected to continue. With US automakers losing market share to more efficient Asian and European competitors, General Motors announced it lost a staggering \$8.6 billion in 2005 and Ford announced it lost \$1.6 billion from its operations in North America.

Wall Street has put increasing pressure on both manufacturers to slash expenses, particularly so-called legacy costs, i.e., pension and health care payments owed to retirees and their aging workforces. Last year, with the assistance of the leadership of the United Auto Workers union, both companies imposed billions in health care concessions on active and retired workers. The auto executives have indicated that this was just the beginning of their take-back demands.

Ford and GM both have debt ratings in junk status and there is open speculation that GM, the world's largest corporation, may be forced to file for bankruptcy. In a statement to the *Wall St. Journal*, President George W. Bush made it clear he was not interested a government bailout of the auto industry.

Ford has stated it plans to shut seven assembly plants and seven other manufacturing facilities—a full 28 percent of the company's capacity. Ford has so far named only five of the plants targeted for closure, involving 10,000 workers. Two more assembly plants will close in 2008 and another two by 2012.

By keeping secret which plants it will shut in the future Ford no doubt is counting on UAW locals to launch a bidding war to see which can impose the most concessions on its members in exchange for a promise to keep production going a few more years. In a significant show of defiance last November, auto workers at several of these targeted plants spearheaded a campaign that nearly defeated the health care concessions

negotiated by the UAW and Ford.

The St. Louis Assembly plant, which employs 1,445 workers, is the first to be idled in the first quarter of this year. The Atlanta Assembly Plant in Hapeville, Georgia, employing 1,745 workers, will close by the end of the year. And the plant in Wixom, Michigan, near Detroit, with a workforce of 1,567 workers, will close in the second quarter of 2007.

In addition, Ford announced plans to close the Batavia Transmission plant near Cincinnati, Ohio, employing 1,745 workers, and close a shift at the St. Thomas plant in Ontario, Canada, two hours west of Toronto.

The announcement that a total of 2,100 people will lose their jobs at Ford's Hapeville, Georgia plant is the latest blow to workers already reeling from job cuts in this Southern region. In November GM announced that the nearby Dorville plant would close, cutting 3,000 jobs. Other job cuts are expected at the paper products company Georgia-Pacific and broadband supplier Scientific-Atlanta recently sold to new owners. BellSouth, the regional phone carrier, announced job cuts and Delta Air Lines has filed for bankruptcy.

"These are high-paying jobs," stated Rajeev Dhawan, director of the Economic Forecasting Center at Georgia State University to the *Atlanta-Journal Constitution*. Noting that each manufacturing job generally supports one-and-a-half or two other jobs, Dhawan said, "This is another blow to manufacturing here."

Ohio continues to be heavily hit by job cuts in the auto industry. The cuts at the Batavia Transmission plant come on top of the 1,000 jobs cut last November by GM at one of its facilities in Dayton.

"I would expect there would be more (Ohio) plant closings in the next round," James Rubenstein, a professor at Miami University who has written on the auto industry, told the *Columbus Dispatch*. "The most likely number is one more; two is the second most likely. Three is not impossible, but it's far less likely."

In Canada, 1,200 workers could lose their jobs immediately at the St. Thomas plant, where 2,500 workers make the larger Grand Marquis sedan and Crown Victoria police cruiser.

The Canadian Auto Workers union had already agreed to the closing of the Windsor Casting Plant during its contract

negotiations with Ford in September 2005. Located across the river from Detroit, nearly 1,000 workers will lose their jobs when the plant closes by 2007.

The WSWS spoke to workers at the Wixom Assembly plant in Michigan and the St. Louis plant in Missouri. In some cases workers expressed confusion due to the chauvinism promoted by the UAW bureaucracy, which has long blamed Japanese, Mexican and European autoworkers for the destruction of jobs in the US. The outcome of the union's "Buy American" protectionism—used to line up US workers behind the auto bosses and against their fellow workers internationally—has been an unrelenting assault on jobs and living standards.

The general mood among workers was anger, particularly after years in which they were told that accepting concessions would guarantee them economic security. Richard Payne, who has more than 28 years at Wixom, said, "I felt very disappointed in Ford. We won all kinds of awards here for quality. We have been number one with Ford Production System (FPS) for the last four or five years, maybe even longer. The feeling in the plant is everybody is disappointed after we did everything that was asked of us, and then this happened."

Payne said the Wixom plant made the larger luxury models that gave Ford its high profits in the earlier period. "We made the Town Car, the Continental, the Mark VII and the Mark VIII, the T-Bird (Thunderbird), front-wheel drive, rear-wheel drive, frame, sub-frame, we made them all," he said.

Payne said when he first hired into the plant in 1977 there were over 5,000 workers on two shifts. "Now, there are 1,500 workers," he said. "In 1980 they laid off a whole shift and I was one of them. Then in 1983 they called us back. For six-seven years we were working 10 hours a day, six-days a week. That's when we made 40 percent of Ford's profits."

Payne said he was told that each of the plants that close will affect an additional 14,000 jobs. "Man, that's something to think about. Look at how many people will be affected by these closures. It will be especially hard on the workers who only have 10-15 years in the plant. They may never work for Ford's again."

Bill Pitts, a truck driver with 20 years at Wixom, was angry at the cuts and the willingness of the unions to support them. "I think this is bull. People are getting screwed big time, especially at the Wixom plant," stated Pitts. "I don't think it is right. A lot of people have been there for years."

"They are taking those jobs and sending them to Mexico," said Pitts "Letting those people make money is fine, but I don't think they are making much money. They are getting screwed too. What are they making, \$5.00 an hour?"

"And look, they are letting a lot of people go here. It's not right, especially for the city of Wixom," stated Pitts, referring to the small working class town of 13,500 people northwest of Detroit. "I mean, how is this town going to look? I feel there is going to be a lot of heartache here, over that plant being shut down. Something needs to be done. It's only going to get

worse."

When asked about the role of the union, Pitts said the union was not fighting for the workers. "They are not good. I don't feel the union is worth paying for anymore."

A WSWS reporter spoke to workers at the St. Louis Assembly plant. "The forces that are putting us on the street aren't done yet!" declared Walter, who has more than 20 years in the plant.

"It's all about the rich getting richer and the poor getting poorer," declared another worker. "The standard of living (for workers) is declining in the US."

Carlos Watson, who works at the Radio Shack store directly across the street from the Ford plant in Hazelwood, Missouri, spoke about the layoffs. "I can honestly say that I don't agree with them," he said. "It is tampering with a lot of people's lifestyles. It's not as easy for the average worker to just pack up everything he's worked so hard for and move as it is for the people higher in the corporate offices. It's not something I can personally agree with, not by any means."

"I know this isn't a fair world; the world is never fair. But it's just really unfair for these people to come to work every day and then this is how you repay them. One day they tell them: 'Thanks for all the hard work, it's over now.'

"Why is the big man making all the money? Why aren't the workers making a little bit more of what he's making? That's my view."

*Peter Jacobs in St. Louis contributed to this report.*



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