Indianapolis workers face fight against threat to close GM plant

Jerry White 30 September 2010

In the aftermath of their vote against a 50 percent wage cut, Indianapolis workers confront a struggle against plans by General Motors to shut its stamping plant and eliminate the jobs of the factory's remaining 650 workers.

Defying threats and intimidation by the United Auto Workers union, workers voted last week by a 457 to 96 margin against a deal that would reduce wages from \$29 an hour to as low as \$14.

Immediately afterwards, JD Norman—the wealthy investor who demanded the wage cuts as a precondition for buying the plant—said "negotiations are done" with GM and the UAW and he was "withdrawing from pursuing the plant any further."

GM officials previously said without a deal it would close the 2.1 million square-foot plant by September 2011. The factory is one of 16 GM facilities being sold off or shut down under the bankruptcy and restructuring measures ordered by the Obama administration last year.

As it has done with other sales, the automaker—which is co-owned by large investors, the US government and the UAW—intended to use the pay cut to further drive down wages and conditions throughout the industry. In this effort, the UAW has been a full partner.

While auto workers and other working people welcomed the stand taken by the Indianapolis workers, the political and media spokesmen for the corporations could hardly contain their hatred.

"We're exasperated by this," Indiana Commerce Secretary Mitch Roob told WTHR-TV. "The taxpayers of this country bailed out General Motors and their workers," he said, adding, "Now, those workers turned their backs on future generations of people who might have had their jobs in Indiana."

The Republican state official failed to mention that the Indianapolis workers were specifically fighting so the next generation would not have to labor for poverty wages. Moreover, the supposed concern about taxpayers'

money did not stop state officials from offering corporate raider JD Norman another \$2 million in tax cuts.

The defiance of the Indy workers has sparked concern in business circles that other GM workers facing the sale of their plants will resist wage cuts. "No one wants the Indianapolis situation to set precedent, but it has that potential," David Cole, chairman of the pro-industry Center for Automotive Research in Ann Arbor, Michigan, told the *Detroit News*. "For the [UAW leaders], they understand the competitive wage in the industry is in the \$14- to \$15-an-hour range. Any potential buyer of a plant in bankruptcy knows that."

However, the workers know they cannot live and raise their families on wages barely above the government's official poverty level.

As they have done for decades, GM and the UAW are now planning to use the shutdown of the Indianapolis plant as an object lesson to other workers who dare to resist concessions. In doing this GM appears willing to absorb an estimated \$50 million in costs to shutter the plant, mainly for the transfer of its giant stamping presses and cutting dies to other GM factories.

While opposing the efforts of the UAW International to open the current GM contract and cut wages, UAW Local 23 officials, including shop chairman Greg Clark, have offered no strategy to oppose the plant closing. Instead they have accepted it as a done deal while telling higher seniority workers they can retain their wages and benefits by transferring to other GM facilities.

In a particularly vindictive move, it now appears that the UAW and GM are planning to carry out collective punishment against workers by making it more difficult for them to transfer. Maurice Davison, UAW Region 3 executive director, told the *Indianapolis Star* he didn't expect much cooperation from GM in expanding transfer rights. "If that were to happen, it would take GM to sit down and agree to it, and I can't see GM sitting down to

agree to anything with Indianapolis," he said.

The *Indianapolis Star*—in an effort to convince workers that any resistance is futile—published articles after the concessions were defeated with headlines such as "GM vote means plant will close its doors" and "Battle Over: GM plant will be shuttered."

Far from being over, however, the battle of the Indianapolis workers has only entered a new stage. Auto workers must prepare to mobilize their strength to prevent the removal of machinery from the factory and its shutdown. Such a struggle can only be waged in opposition to the company agents in the UAW.

Earlier this month workers at the plant formed the GM Stamping Rank-and-File Committee to organize a struggle independently of the UAW. The committee said the factory closing would not be a victory and insisted that the fight against the wage cut be combined with preparations to oppose the plant closing. They know, however, that they cannot wage this struggle alone.

That is why they are calling on auto workers to establish rank-and-file committees in their own plants to wage a common struggle. Workers throughout the city, state and country, including Indianapolis Ford workers facing layoffs and the closure of their plant, should rally to the support of the stamping workers. Preparations should be made now for mass demonstrations, plant occupations and a national strike to overturn the wage-cutting contract imposed by the auto companies, the Obama administration and the UAW.

One member of the committee spoke with the WSWS about the threat to close the plant. She said, "A lot of us never believed they would go so far as to close the plant. It will be impossible for most to transfer because there are thousands of laid-off workers already looking to get into other plants. Any way, they don't want to hire older workers at full wages when they can pay half as much to temporary workers making \$14 an hour.

"Why close the factory? It is not useless. They've preached that it is a behemoth running at 30 percent and is capable of doing so much more. If it's run down, then fix it. Why don't they hire 2,000 and pay them decent wages? But they are not doing it. Instead they want cheap labor.

"GM is not making money from higher sales, they are making profits from wage cuts. They want to lay us off and force more work on the ones making \$14 an hour. Safety is going out the window.

"They say, 'At least, you have a job.' But how can you live on those wages? At the Cummins plant in town

they've cut wages to \$8.50 an hour. You might as well work for McDonald's, at least you won't bust up your body like you do in an auto plant. I had no problems when I started; now I have nothing but problems with my knees and back.

"Knowing workers stood up and got the support from all over the world that we did has surprised a lot of us. Now they are hoping that other factories will follow suit. When this began everybody thought that we were on our own. The union put it in our head that we were alone, 'You're nobody, you can't fight.' But the fact that we resisted showed the workers we can fight. The whole idea that the union is here for you is fading fast. This is really happening to us and management and the union are on the same side, against us.

"It would be devastating to have another plant closing in Indianapolis. If workers lose their jobs at GM and Ford, where is the unemployment rate going to? People will lose homes, they'll be in ruin, and families will have a hell of a time finding a job. By the time they get done in Indianapolis there will be nothing left but hotels and restaurants paying minimum wage.

"Factory workers are what make the city, not Lucas Stadium and the hotels. If they shut plants people are going to move out. But where are people going to go? It's happening all over the US and not just in automotive.

"And it's happening around the world. Workers are going through the same thing. You hear: 'Why should we feel sorry for them, they're taking our jobs in other countries.' But it's not their fault the corporations are shipping the jobs. They have the right to earn a living too. Whether you live in the US or another country, people are people, we are humans and you can't live without a job. If corporations in other countries ship jobs here I don't expect you will complain about it.

"It's going back to the 1930s. We are going to have to fight again to keep our jobs and homes. If nobody stands up and fights, where will it end? Where will we be in five years? You think it's been a depression in last couple years, it's nothing like it is going to be. That's why we have to fight now."



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