GM autoworker: "They say 'safety first' but it's really profit that's first"

GM safety violations linked to cost-cutting attacks on workers

Jerry White 23 April 2014

The information revealed so far about the cover-up of safety defects at General Motors has demonstrated that company officials, aided and abetted by federal regulators, delayed the recall and repair of millions of dangerous vehicles in order to protect the giant corporation's profits.

At least thirteen deaths and scores of injuries have been attributed to the faulty key ignition switch of GM's small cars, which could unexpectedly shut off their engines and disable the power steering, power braking and airbag systems.

According to internal memos, GM told the National Highway Traffic Safety Administration that it knew of the problem on the Chevrolet Cobalt in 2004 but closed an investigation "after consideration of the lead time required, cost and effectiveness" of solutions proposed by engineers. One of the proposals rejected by GM management was to replace the defective part at a cost of 57 to 90 cents per vehicle.

In other words, the life-saving repairs were nixed and dangerous cars left on the road because a recall would cut into the company's bottom line and hurt share values. At the same time as the safety defects were being covered up, GM was waging a savage cost-cutting campaign against the workers who build the cars. This included mass layoffs and the introduction of brutal speed-ups on factory assembly lines, which sacrificed the wellbeing of workers as much as quality and safety standards.

"It's all about more work being done by less labor," a veteran GM worker at the Lordstown, Ohio plant, where the Cobalt was built, told the *World Socialist Web Site*. "We try to do the best we can with what we have but quality is going to suffer. Workers don't have any say about consumer safety—we don't make decisions about the assembly line.

"If we see a bad part we don't pass it on but we are told if the assembly line shuts down for even a minute it is going to cost the company tens of thousands of dollars. If one car is held up, the company loses the equivalent of two cars in profits."

From 2002 to 2012, GM cut its hourly workforce by 12 percent each year. Total GM hourly employment fell from 208,000 workers in 1999 to only 49,000 in 2012. This coincided with the shutdown of scores of factories in North America, which ravaged working-class communities in Michigan, Indiana, Ohio, California and other US states, as well as Canada.

Having long abandoned any struggle against the corporations in the name of labor-management "partnership" and improving the "competitiveness" of US automakers against their Asian and European rivals, the United Auto Workers (UAW) suppressed any resistance by workers and imposed management's dictates. When opposition erupted against job cutting and speed-ups, as in the 1999 GM strike in Flint, Michigan, the 2008 American Axle strike, and the 2010-11 struggles at NUMMI and the Indianapolis GM Stamping plant, the UAW isolated and suppressed the struggles.

After the sellout of the 1999 strike, GM spun off its Delphi Automotive parts division so it could cut wages and press its suppliers for ever-lower prices. Delphi, which declared bankruptcy in 2005 and slashed the wages and pensions of thousands of workers, supplied the defective ignition switch to GM.

GM's Lordstown, Ohio, plant, about 50 miles southeast of Cleveland, produced the Cobalt until 2010. In the early 1970s, the plant was the center of a rebellion of young auto workers against the back-breaking pace of the assembly line and arbitrary discipline by company foremen. In the 1980s and 1990s workers continued to speak out vocally against unsafe conditions, including chemical exposure at the plant.

Under the threat of a possible factory closure, the UAW International and local union 1112 and 1714 officials rammed through a new concessions contract in 2004, based on GM's so-called "Global Manufacturing System," to secure Cobalt production. The new scheme overrode long-

standing job protections and introduced the "team concept" to push for higher productivity and increase "efficiencies" by victimizing workers who could not keep up.

Distancing himself from the militant struggles at the factory in the past, UAW Local 1714 President Jim Kaster said at the time, "We are older now, and we realized that the company has to make a profit. We are more quality-conscious and more mature."

In 2009 UAW officials at the plant once again pushed through deep concessions, including the expansion of low-wage second tier workers, to land production of the new Cruze subcompact. This led President Obama—who oversaw the wage-cutting attacks contained in the 2009 GM bankruptcy and restructuring—to praise the plant for being "well regarded throughout the GM family and the industry."

With profit margins for small cars far lower than larger cars, SUVs and pickups, GM and the UAW pushed workers for continuous cost improvements. The factory is now producing 400-450 vehicles every shift, with three shifts a day. According to workers in the plant, a majority if not more of those on the assembly line are second-tier workers, earning half the wages of veteran workers. This alone puts the lie to GM CEO Mary Barra's claim before Congress that the company is now more "focused on the customer" compared to a pre-bankruptcy "cost culture."

Predictably, UAW officials at the factory immediately ran to the company's defense after the exposure of GM's negligence. Glenn Johnson, president of UAW Local 1112, told *Bloomberg News*, "We don't know how to speculate who-knew-what-when or if there should have been any changes made during that period of time. We had a supplier issue, and it got through the cracks."

The pro-company statements recall the reaction of the UAW to the 2001 crisis over the Ford Explorer sport utility vehicle, when Congress investigated 208 US deaths and more than 700 injuries linked to tread separations on Firestone tires, mostly mounted on Explorers. The UAW organized a degrading spectacle in which union bureaucrats drove a convoy of Explorers through Washington, DC, waving American flags and shouting, "We build safe vehicles," before they joined Democratic politicians and Ford executives at Congressional hearings to denounce Firestone.

Since the eruption of the crisis, GM has reportedly forced hourly workers and supervisors to sign "non-disclosure statements," pledging not to reveal "company business."

The Lordstown worker, speaking anonymously to the WSWS, continued, "They are always looking for ways to cut costs any way they can. The cost-cutting goes from the independent suppliers to the assembly plants; somebody somewhere is looking to tear down something or replace a

piece in order to save a few pennies because that is going to be multiplied millions of times."

As for the UAW, he said, "they do whatever the company wants."

Discussing the cover-up of the defects, the worker continued, "Someone should be held accountable. The executives knew, the government knew. But they are going to point fingers at each other and maybe there will be a few fall guys. Historically none of these people will be held accountable.

"There's always a double standard. The little guy pays for it—whether it is some guy driving a car with an ignition failure or the worker on the assembly line. We'll get the slap in the face. That's capitalist injustice."

A GM worker at the Wentzville, Missouri assembly plant told the WSWS, "We get propaganda from the union every day about how the interest of the workers and the company is supposedly the same. Under a profit-based system you can't defend jobs; we always have to accept lower wages and quality is going to go down—that's what is behind these recalls.

"The company has been involved in a cover-up. The parents of one of the victims had a letter GM sent to owners of new Cobalts in 2006 telling them to bring in the cars if they had ignition switch problems. They took the ignition keys and stuck a tiny plastic insert into the hole so you couldn't fit other stuff on it. It's crazy to look back and see that all of this was voluntary and they didn't take the cars off the road and fix them.

"Every one of the auto companies does the same thing. Any profit-based system is going to overrule quality. Every company is competing with other companies over profit. They say, 'safety is first," but it's really profit that's first. They want to keep cost down even if that means defective parts slide by. These companies are making money and they don't care."



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