

“They got away with murder for profit”

Michigan will not sanction GM attorneys involved in cover-up of ignition defect

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The *Wall Street Journal* reported Sunday that the state of Michigan will not revoke the law licenses of General Motors attorneys or seek sanctions against other employees fired for their roles in the cover-up of an ignition defect responsible for at least 124 deaths and hundreds of serious injuries. The report follows efforts by the father of a 27-year-old accident victim to demand sanctions against former GM employees who helped block public exposure of faulty ignition switches in GM vehicles.

In the wake of the 2014 exposure of a systematic cover-up by the automaker of defective vehicles whose ignitions could cut off without warning, the company fired 15 lower-level employees, including six lawyers. GM intended the firings as a pre-emptive strike to protect top management from prosecution.

The dismissed lawyers claimed that despite approving millions of dollars in accident liability payouts, they never informed high-ranking GM officials of the settlements. Thus, the story goes, top management remained blissfully unaware of the deaths and injuries caused by the ignition defect.

Jay Gass, a retired Fed Ex employee from Tennessee, filed a request with Michigan’s Attorney Grievance Commission to investigate the former GM employees and suggested that they be stripped of their law licenses for their roles in the cover-up. Gass’s daughter, Lara Gass, died in March 2014 in a car crash linked to the ignition defect. The family subsequently received a settlement from GM through the company’s Ignition Claims Resolution Facility.

The grievance commission is an arm of the Michigan Supreme Court responsible for overseeing attorney conduct. In response to the request by Gass, the

commission stated, “The tragedies that resulted from various individuals employed by General Motors are not subject to review by this agency.”

To date, no top GM official has been held to account for the cover-up. This despite the fact that the company, by its own admission, had known for more than a decade that ignition switches on the Chevrolet Cobalt, Saturn Ion and other low-cost vehicles could be easily jarred out of the “run” position, killing power to the engine and disabling safety equipment such as airbags. Even as reports of deaths and injuries resulting from the defect mounted, company officials took no action.

One of those named by Gass was GM senior attorney James Kemp. He was apprised of safety problems with the Cobalt ignition as early as 2004 and served as the main liaison between the legal department and GM safety investigators. He allegedly did not alert GM’s general counsel, Mike Millikin, to the defect until early 2014.

It wasn’t GM safety investigators who finally exposed the cover-up and forced a recall, but an attorney working on behalf of the family of an accident victim. He proved that GM engineers had redesigned the ignition switch without assigning a new part number, a violation of engineering principles and a clear indication of a cover-up.

In the end, the Obama administration imposed a \$900 million fine on the automaker, about one-third of its annual profit, but sought no criminal sanctions. Some groups investigating the ignition defect scandal estimate that hundreds died as a result of GM’s failure to inform safety regulators or notify the public.

A report commissioned by GM revealed that the company deliberately created an internal structure

designed to make it virtually impossible to identify actual decision-makers. The same report noted that when GM attorneys sought in 2011 to warn upper-management of the potential liability to the company of the ignition defect, they were blocked. Company officials did not convene a meeting on the issue for six months, and then told attorneys that it was not a serious matter since “the incident rate was not high.”

According to the *Wall Street Journal*, Michigan’s code of conduct does not require lawyers to breach confidentiality and warn consumers of potential harm. However, other states, such as Florida, require such disclosure.

Leo Ruddy, the father of Kelly Erin Ruddy, who died in the January 2010 crash of her Cobalt, spoke to the *World Socialist Web Site*. He expressed anger that no one has been held criminally accountable for the cover-up. “We are very disappointed with the Justice Department,” he said. “The fines are just a slap on the wrist. It was outright murder. It was for profit. They looked at the cost and decided it was cheaper to pay off the lawsuits than to fix the problem.

“President Obama never even commented. One-hundred-and-twenty-four Americans were murdered, yet he hasn’t lifted a finger. They got away with murder for profit.”

Civil lawsuits are continuing against GM over deaths and injuries linked to the ignition defect. The civil trials follow the shutdown of General Motors’ Compensation Claims Resolution Facility, which was administered by Kenneth Feinberg, a well-known corporate “fixer.” Of the 4,343 death and injury claims filed by the cutoff deadline, Feinberg rejected the vast majority. He authorized 124 death claims out of 473 submitted. Of 3,590 injury claims, the fund authorized payouts in only 257 cases.

A civil case relating to the ignition switch cover-up is continuing in New York. It is meant to define legal boundaries in the settlement of hundreds of lawsuits pending against the automaker.

The first case brought to court suffered a quick shipwreck over allegations that the plaintiffs lied about details of their eviction from their home. While the alleged perjury did not relate to the accident, it was used to impair the witnesses’ credibility, leading attorneys to voluntarily withdraw the case.

In the current trial, the plaintiffs allege that the

ignition defect caused a January 2014 accident on an ice-covered New Orleans bridge. GM chose the case because it felt the plaintiffs’ case was relatively weak. The accident under review was one of 39 crashes on the bridge that day, which police say were due to excessive speed.

Ken Reimer, the stepfather of another victim of the GM ignition defect, Natasha Weigel, told the *World Socialist Web Site*, “It seems that with the cases being brought up it is almost a sellout. It is almost as though they don’t want to win.

“Whatever happened to justice? There are more than 120 that died. Jay Gass filed a complaint. How can they just turn their back? There are too many people who did know things. A lot of people got a ‘get out of jail free’ deal.”

Charging that the cover-up reached the highest levels of the state, he said, “We sat through hours of congressional hearings, but when we walked out the door we didn’t know anything more than when we walked in.”



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