

Harley-Davidson to close Kansas City plant, lay off 800

Marcus Day
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Harley-Davidson, the world's largest maker of heavyweight motorcycles, announced plans Tuesday to close its Kansas City, Missouri assembly plant by the summer of 2019 and lay off 800 workers.

Euphemistically referring to the closure as part of a "multi-year manufacturing optimization initiative," the Milwaukee, Wisconsin-based company attributed the move to a sharp fall in demand for its iconic bikes, particularly among young people. Harley's US retail sales fell 8.5 percent in 2017—the fourth straight year of decline—and its global sales are projected to fall a further 4.9 percent in 2018.

The job cuts are part of a growing wave of mass layoffs, contradicting President Donald Trump's boasts of US economic strength and the miraculous benefits supposed to accrue from the corporate handouts contained in the 2017 "Tax Cuts and Jobs Act." In the past month alone, telecom giant AT&T, retailers Sams' Club and Toys "R" Us, and paper products manufacturer Kimberly-Clark have revealed plans to slash thousands of jobs.

The layoffs at Harley-Davidson, announced the morning of Trump's first State of the Union address, come as a further blow to the president's reactionary "America First" economic program, and are particularly embarrassing as Trump has lauded the company, inviting company executives and union officials to the White House in early 2017.

In a press release, Matt Levatich, Harley Davidson's president and chief executive officer, laid out the cold-blooded financial calculations behind the plant shutdown, saying, "Our actions to address the current environment through disciplined supply and cost management, position us well as we drive to achieve our long-term objectives to build the next generation of Harley-Davidson riders globally."

In what will be little comfort to the workers who will imminently be deprived of their livelihood, Levatich added that in 2017, "[W]e delivered another year of strong cash generation and cash returns to our shareholders."

As part of Harley's reorganization plans, production of the vehicles previously made in Kansas City will be moved to its York, Pennsylvania, plant, which the company claims will add 450 jobs. However, the 450—if they in fact all appear—will reportedly include part-time and contract positions.

Along with the shutdown of the Kansas City factory, Harley announced the planned closure of a wheel plant in Adelaide, Australia, with a loss of a further 100 jobs.

The company made the announcement at the Kansas City plant at a 6 a.m. "town hall" meeting, after which it sent workers home for the day, no doubt fearing an outbreak of anger.

Dominique Alstrok, a worker at the plant, told a local Fox News affiliate, "Where is my next job? What am I going to do benefits wise? I have three kids and a single mom."

The closure of the Kansas City plant is the culmination of a long series of betrayals by the trade unions, principally the International Association of Machinists (IAM) and the United Steelworkers (USW), which both bargain on behalf of workers at Harley-Davidson.

In 2010, the USW and IAM signed a deal at Harley-Davidson's plants in Menomonee Falls, near Milwaukee, and Tomahawk, Wisconsin, that included a seven-year wage freeze and strike ban, sharp increases in workers' contributions to their health care coverage, and the creation of a "sub-tier" of seasonal or casual workers who will receive no benefits whatsoever and earn starting pay of \$16.80, about half what current

workers make.

The concessions contract, backed by the unions under the pretext that it was necessary to “save jobs,” in fact paved the way for hundreds of layoffs in subsequent years. The York, Pennsylvania plant saw its employment plummet from nearly 2,000 in 2009 to roughly 800 in 2017, while the plants in Wisconsin also lost hundreds of jobs.

Union officials feigned surprise and outrage at the current layoffs, while offering no plans to oppose the company’s decision. Kevin Amos, president of IAM Local 176 in Kansas City, demonstrated the utter spinelessness of the union and its groveling efforts to please the company, telling FOX4 News, “We have a good workforce, and we did as we were told. We were living in a seven-year concession contract. Workers were hurting, and yet we did everything we were supposed to do.”

Bob Martinez, national president of the IAM, predictably sought to deflect blame onto foreign workers and incite reactionary nationalism, saying, “Hundreds of working families are now wondering what their future holds because of this self-proclaimed American icon’s insistence on shipping our jobs to Asia and South America. I’m sick of seeing our jobs disappear or turn into part-time work...This company’s executive leadership team is letting Harley-Davidson’s foundation crumble.”

Instead of appealing to workers to mobilize against the plant closure, Martinez directed his pleas to the union’s real constituency, namely Wall Street and the political establishment: “We hope investors and policy-makers join our call to finally bring our jobs home.”

Harley-Davidson workers must draw the necessary conclusions from the decades of wage cuts, job losses, and attacks on health care and pensions they have suffered under the IAM and USW, who seek to divide workers from their brothers and sisters in other countries in order to defend the profit interests of the corporations.

In order to conduct a real fight against plant closures and for good-paying jobs and all the other gains bargained away by the unions, it is necessary to break with these pro-company organizations and form independent rank-and-file committees, democratically elected and controlled by workers themselves. Such committees must appeal to the millions of workers

facing similar attacks in the US, Mexico, Asia and internationally for a joint struggle for the social rights of the working class as a whole.



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