

General Motors, The New York Times and Marxism 101

By <u>Shamus Cooke</u> Global Research, November 24, 2008 24 November 2008 Region: <u>USA</u> Theme: <u>Global Economy</u>

As Socialists, we are consistently asked to present our ideas in a clearer, easier to understand manner. To achieve this goal, I'll enlist the help of former Governor of Massachusetts and candidate for the Republican Presidential nomination, Mitt Romney, who appeared in the New York Times Op-Ed section on Nov. 19th.

Romney's piece, entitled "Let Detroit Go Broke," laid bare the intent behind the angry rhetoric used by politicians against the proposed bailout for the "Big Three" automakers. Whereas the giant Wall Street banks received over 1 trillion dollars – so far— without barely having to ask, an industry that actually produces something has to beg for a handout. Why the difference?

Romney doesn't mix words, and makes it known that money can't simply be thrown at the Big Three: they have to fix the problems that landed them in this mess. It soon becomes clear that the biggest problem needing fixing is the wages and benefits of the autoworkers.

"First, their [the automakers] huge disadvantage in costs relative to foreign brands must be eliminated. That means new labor agreements to align pay and benefits to match those of workers at competitors like BMW, Honda, Nissan and Toyota. Furthermore, retiree benefits must be reduced so that the total burden per auto for domestic makers is not higher than that of foreign producers."

Conclusions such as these are inescapable within a market economy Marx gave similar examples long ago to explain how competition between capitalists inevitably forced an attack on the workers, since it is more difficult to cut the costs of raw materials and machines.

To accomplish the destruction of workers' wages, Romney demands new management, too, and says that "the new management must work with labor leaders to see that the enmity between labor and management comes to an end". This has always been a dream of the capitalist: eliminating the hostility of workers towards management, especially when management is hell-bent on destroying workers' standard of living. Unfortunately for shareholders, class conflict is inherent in an economic system that is divided between workers and owners.

The bureaucracy which controls the autoworkers union (UAW) has done its best to dampen this intrinsic conflict. The UAW "leaders" have "cooperated" in drastically lowering workers' wages and benefits, and as recently as last year, pushed through a devastating contract for workers.

But it wasn't enough.

Romney—and the corporate establishment as a whole are demanding that the Big Three declare bankruptcy so that existing labor contracts can be torn up. Then the real "restructuring" will begin.

The lack of compassion that the ruling class shows for the families that would be affected by such polices shouldn't come as a surprise. An economic system that produces goods for a market— instead of social need— will always produce similar outrages to the conscience.

As the economic crisis deepens, similar attacks on workers will develop. This is foreshadowed by Romney's comment, "Companies in the 21st century cannot perpetuate the destructive labor relations of the 20th." In the same paragraph Romney implies that unions in general are to blame for the sad state of the economy. This is not merely the opinion of one man, but one social class. Again it should be stated: the current crisis is being used as a justification for an unprecedented assault on the living standards of workers, to begin with the auto industry.

A defeat for the autoworkers in this fight will set a devastating precedent for workers all over the country. It is the absolute duty of every working-class person to stand in solidarity with the autoworkers in their coming struggle. It is likewise in the interest of all who work for a wage to oppose the continuing bailout of the Big Banks at taxpayer expense. Taxing the Super Rich is the common sense solution to the problem you'll never hear from a politician's mouth.

Shamus Cooke is a social service worker, trade unionist, and writer for Workers Action (<u>www.workerscompass.org</u>) He can be reached at <u>shamuscook@yahoo.com</u>

The original source of this article is Global Research Copyright © <u>Shamus Cooke</u>, Global Research, 2008

Comment on Global Research Articles on our Facebook page

Become a Member of Global Research

Articles by: Shamus Cooke

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca