

The UAW and CAW Confront Lean Production at Saturn, CAMI, and the Japanese Automobile Transplants

Ernest J. Yanarella and William C. Green

The North American auto marketplace witnessed a major restructuring during the 1980s. This article examines UAW's and CAW's quite different and distinctive responses to these developments at two union plants: the UAW's and GM's joint operation of the Saturn plant and the CAW's adversarial shop floor labor-management relations at CAMI, a GM-Suzuki joint venture. Then the article focuses on the common challenges both unions have to overcome in organizing Hyundai, the South Korean automaker, and the six Japanese plants. The article closes by exploring the risks and opportunities both unions face from the North American Free Trade Agreement.

During the decade of the eighties, ten East Asian automobile assembly plants were built across the industrial heartland of North America from Smyrna, Tennessee to Bromont, Quebec.¹ This experience, rooted in the

Ernest J. Yanarella is professor of political science, University of Kentucky, Lexington, KY 40506. William C. Green is professor of government, Morehead State University, Morehead, Kentucky 40351.

This article is based, in part, on field research in Canada during the summer of 1991, and in Tennessee during the summer of 1992 and spring of 1993 which included site visits at the four Canadian transplants and Saturn plant and training center and interviews with key labor and management representatives and labor scholars. The costs associated with this research, the writing of this article, and the preparation of other articles and a forthcoming volume, *Other People's Cars: Organized Labor and The Crisis of Fordism*, were underwritten by four grants provided by the Canadian Studies Program, the Quebec Studies Program, the University of Kentucky, and Morehead State University. The authors gratefully acknowledge the financial support provided by these organizations.

1. Andrew Mair, Richard Florida, and Martin Kenney, "The New Geography of Automobile Production: Japanese Transplants in North America," *Economic Geography*, 64 (October 1988), 352-373.

restructuring of the global political economy and the internationalization of automobile production, brought into sharp focus the crisis of the Fordist regime of industrial production and capital accumulation.² This crisis, which has radiated through the United States and Canadian auto industries and through the United Auto Workers (UAW) and the Canadian Auto Workers (CAW) unions, has exposed the limitations of the mass production system pioneered by Henry Ford and has threatened the stability of the post-World War II system of labor-management relations.

The impact of these developments has been a source of mounting and heated scholarly debate. U.S. and Canadian scholars have observed two distinctive political strategies employed by the UAW and CAW in response to the negative consequences of these developments for organized labor in the U.S. and Canadian auto production and auto supplier industries.³ Some have extolled the virtues of an incipient "post-Fordist" regime⁴ synthesizing mass and craft production into lean management and assembly line techniques.⁵ Others, while acknowledging new tendencies manifested in Japanese production techniques, have developed a theory of neo-Fordism⁶ that

2. Fordism is a method of mass production characterized by a division of the assembly line into ever more specific and defined tasks and a division of labor "which was inflexible, hierarchical, and characterized by increasing automation, routinization, and mechanization of production tasks." John Holmes, "Industrial Restructuring in a Period of Crisis: An Analysis of the Canadian Automobile Industry, 1973-1983," *Antipode*, 20 (1988), 19-51.

3. Gregory Albo, "The 'New Realism' and Canadian Workers," *Canadian Politics*, ed. A. Gagner and J. Breckerton (Peterborough, Ont.: Broadmire, 1990), 47-53; and Jonathan Morris, "A Japanization of Canadian Industry?" *The New Era of Global Competition*, ed. by Daniel Drache and Meric S. Gertler (Montreal: McGill-Queen's University Press, 1991), 206-228.

4. Post-Fordism or lean production is a flexible production system characterized by the integration and rationalization of assembly and auto parts production and the reliance on the team concept to provide so-called multiskilled training, job rotation, continuous work improvement, and reduced product defects. For a discussion of post-Fordism, see the references in footnote 5.

5. Haruo Shimada and John Paul McDuffie. "Industrial Relations and 'Humanware': Japanese Investments in Automobile Manufacturing in the United States." [IMVP briefing paper] (Boston: Massachusetts Institute of Technology, International Motor Vehicle Program, May 4, 1987); Martin Kenney and Richard Florida. "Beyond Mass Production: Production and the Labor Process in Japan," *Politics and Society*, 16 (March 1988), 121-158; James Womack, Daniel Jones, and Daniel Roos, *The Machine that Changed the World* (New York: Rawson and Associates, 1990); Richard Florida and Martin Kenney, "Transplanted Organizations: The Transfer of Japanese Industrial Organization to the U.S.," *American Sociological Review*, 56 (June 1991), 381-398; and Martin Kenney and Richard Florida, *Beyond Mass Production: The Japanese System and its Transfer to the United States* (New York: Oxford University Press, 1993).

6. Neo-Fordism views lean production as a theoretical alternative which in practice produces an intensified or hyper-Fordist regime of production and accumulation.

highlights the deeper continuities between mass production and lean production.⁷ Still others have pointed to more synthetic models of production and consumption that incorporate the best Fordist and "post-Fordist" elements in a new regime that acknowledges the shortcomings of Fordist mass production, but preserves a critical role for organized labor.⁸

Against the background of this scholarly debate and the crisis of Fordism, the first and second sections of this article will examine the restructuring of the North American auto industry and UAW's and CAW's quite different and distinctive responses to these developments. The third section will explore the UAW-General Motor's collective response to the transplant phenomenon: their agreement to locate the Saturn auto plant in Tennessee, recruit UAW-represented workers, and jointly operate a lean production facility. Then this section will turn to the UAW local's response to the challenges that jointness has posed in the union's representation of its members. The fourth section will examine the active involvement of the CAW in the recruitment of CAMI (the General Motors-Suzuki joint venture), the collective agreement it struck with Suzuki to represent the workers, and the dilemmas the union leadership has faced in organizing and representing workers. The next section will focus on the common challenges both unions have yet to overcome in organizing the other East Asian automobile facilities: Honda, Hyundai, Nissan, Subaru-Isuzu, and Toyota. Finally, the

7. Knuth Dohse, Ulrich Jurgens, and Thomas Malsh, "From 'Fordism' to 'Toyotism'? The Social Organization of the Labor Process in the Japanese Automobile Industry," *Politics and Society*, 14 (1985), 115-146; Stephen Meyer, "The Persistence of Fordism: Workers and Technology in the American Automobile Industry 1900-1960," *On the Line: Essays in the History of Auto Work*, ed. by Nelson Lichtenstein and Stephen Meyer (Urbana: University of Illinois Press, 1989), 73-95; Jane Jenson, "'Different' but not 'Exceptional': Canada's Permeable Fordism," *Canadian Journal of Sociology and Anthropology*, 26 (1989), 69-94; and John Bellamy Foster and Charles Woolfson, "Corporate Restructuring and Business Unionism: The Lessons of Caterpillar and Ford," *New Left Review*, 147 (March/April 1989), 51-66.

8. Wolfgang Streeck, "Introduction: Industrial Relations, Technological Change and Economic Restructuring," Wolfgang Streeck, ed. *Industrial Relations and Technological Change in the British, Italian and German Automobile Industry* (Berlin: Wissenschaftszentrum, 1985); Rianne Mahon, "From Fordism to ?: New Technology, Labour Markets and Unions," *Economic and Industrial Democracy*, 8 (1987), 5-60; Lowell Turner, *Democracy at Work: Changing World Labor Markets and the Future of Labor Unions* (Ithaca: Cornell University Press, 1991); Barry Bluestone and Irving Bluestone, *Negotiating the Future: A Labor Perspective on American Business* (New York: Basic Books, 1992); Alain Lipietz, *Towards a New Economic Order: Postfordism, Ecology, and Democracy* (New York: Oxford University Press, 1992); Richard Edwards, *Rights at Work: Employment Relations in the Post-Union Era* (Washington, DC: Brookings, 1993); Jane Jenson and Rianne Mahon, eds., *Challenge of Restructuring: North American Labor Movements Respond* (Philadelphia: Temple University Press, 1993); and Charlotte A.B. Yates, *From Plant to Politics: The Autoworkers Union in Postwar Canada* (Philadelphia: Temple University Press, 1993).

article will close by comparing the UAW and CAW transplant experiences, particularly Saturn and CAMI, and by exploring the risks and opportunities the unions face from the recently signed North American Free Trade Agreement (NAFTA).

The Restructuring of the U.S. and Canadian Automobile Industries

Until the mid-1960s, the American and Canadian auto industries were structured into two separate operations by tariff protection legislation. As a consequence, auto and auto parts production and sales, though dominated by the Big Three Detroit automakers were largely organized along national lines with only limited cross border trade in assembled autos. Eventually, Canada's smaller market for cars and trucks limited its productivity and caused the Canadian auto industry's competitive position to deteriorate vis-à-vis the United States. As John Holmes argues, the policy "solution to this crisis lay in rationalization of assembly and parts production in Canada and its integration with production in the United States."⁹ The 1965 Auto Pact (U.S.-Canada Automotive Products Trade Agreement) integrated Canadian auto and auto parts production into a continental market and dramatically increased "productivity in the Canadian assembly and parts industries by creating a larger market for automotive products within which the full benefits of specialization and large scale production could be achieved."¹⁰

The United States and Canadian auto industries and their workers are now beset by a shared crisis—a crisis of Fordism, one affecting the entire system of Fordist production and its underlying regime of capital accumulation.¹¹ The principal causes of this crisis are the internationalization of auto production and introduction of new process technologies by Japan and newly industrializing countries like South Korea. The Fordist model has

9. John Holmes, "Industrial Restructuring in a Period of Crisis: An Analysis of the Canadian Automobile Industry, 1973–1983," *Antipode*, 20 (1988), 35.

10. *Ibid.*

11. The crisis of Fordism is rooted in Fordist mass production techniques and its accompanying mass consumption forms, which include economies of scale based on a Taylorist division of mass assembly line production into ever more specific and defined tasks; a standardized production system with a division of labor "which was inflexible, hierarchical, and characterized by increasing automation, routinization, and mechanization of production tasks" (John Holmes, "Industrial Restructuring in a Period of Crisis: An Analysis of the Canadian Automobile Industry, 1973–1983," *Antipode*, 20 (1988), 39); and a labor-management system typified by hundreds of job categories, seniority rights, and contracts with wage rate increases automatically tied to productivity increases and by an absolute bifurcation of labor issues (e.g., hourly wages and job duties) and managerial prerogatives (e.g., quality standards, product design, and line speed).

been challenged by lean production or Japanese Production Management (JPM), a flexible production system characterized by integrated superior quality control, a "leaner" more stringent supply and assembly process, and a labor management relations system based on "work teams" that require the use of the team concept to provide multiskilled training, job rotation, and continuous worker performance. Now the major issue is whether lean production will overcome the Fordist model and replace it as the ruling mode of production and consumption.

The painful process of industrial restructuring in the United States and Canada has underlined the unique benefits and common problems of their auto industries. The globalization of the auto industry and the sourcing of auto parts and subassemblies around the world has led U.S. auto assembly operations and parts suppliers increasingly to move to Mexico. Auto parts with a high energy content have been sourced to Canada. An historically favorable exchange rate and a national health insurance program have also given Canada a labor cost advantage of their U.S. counterparts, perhaps assuring Canada of holding its share of the more labor-intensive aspects of the auto industry.¹²

At the same time, Japanese lean production methods and other "post-Fordist" techniques pose a formidable challenge to the continental auto industry and its workers. The existence of enormous overcapacity jeopardizes the long-term survival of the Big Three automakers in the United States and their branch plants in Canada. Compounding this threat is the U.S.-Canada Free Trade Agreement of 1987. As the long-term power in bilateral trade, the United States looked with great relish at the prospects of lowering or eliminating trade barriers to Canada. The Mulroney government, for its part, touted the agreement as a method for overcoming Canada's branch plant economy and enabling it to become a player in the global marketplace. Since 1987, however, the agreement has become a major factor in undercutting the long-standing advantages of the Canadian auto industry. Ontario's loss of several hundred thousand manufacturing jobs and the mass exodus of auto parts suppliers to the United States have rocked the native auto industry and its unionized auto workers.¹³

The prospect of a U.S.-Canadian trade agreement, coupled with the Reagan administration's calls for formal trade restrictions and domestic content requirements on Japanese autos and the Canadian government's

12. *Ibid.*, 42, 43.

13. Clyde Farmsworth, "Free-Trade Accord is Enticing Canadian Companies to U.S.," *New York Times*, August 9, 1991, A-1.

TABLE 1
Saturn, Asian Automobile Transplants, and their Joint Ventures with
Big Three Automobile Companies in the United States and Canada

Plant	Location	Startup Date	1992 Production	Employees	Union Status
AutoAlliance (Ford-Mazda)	Flat Rock, MI	11/84	167,940	3,500	UAW Local 3000
CAMI (GM-Suzuki)	Ingersoll, ONT	11/89	143,526	2,000	CAW Local 88
Diamond-Star (Mitsubishi)	Bloomington- Normal, IL	9/88	139,705	3,000	UAW Local 2488
Honda	Marysville, & E. Liberty, OH	11/82	458,254	9,700	Non-union
	Alliston, ONT	10/86	104,270	800	Non-union
Hyundai	Bromont, QUE	1/89	13,548	1,200	Non-union
Nissan	Smyrna, TN	6/83	300,086	5,700	Non-union
NUMMI (GM-Toyota)	Fremont, CA	11/84	255,729	3,000	UAW Local 2244
Saturn (GM)	Spring Hill, TN	7/90	212,112	6,000	UAW Local 1854
Subaru-Isuzu	Lafayette, IN	9/89	123,877	1,900	Non-union
Toyota	Cambridge, ONT	12/88	68,092	1,000	Non-union
	Georgetown, KY	5/88	240,382	3,450	Non-union

limitation of Japanese autos to eighteen percent of their vehicle market, undercut prior economic reluctance of Japanese and South Korean auto corporations to locate assembly plants in the United States and Canada. Between 1984 and 1986, Nissan, Honda, Toyota, Suzuki, Mitsubishi, Mazda, Subaru and Isuzu, and Hyundai in rapid succession announced corporate decisions to build auto transplants or joint ventures in the American Midwest, Ontario, and Quebec.

The UAW, CAW, and Industrial Restructuring

American labor unions are relatively weak and play an increasingly marginal role on the United States political scene and economy. By comparison, Canadian organized labor enjoys relative strength and greater political resources in Canadian politics and political economy. Canadian scholars have explained Canadian labor's political and economic advantage in terms

of the more favorable federal and provincial laws supporting union certification, the more militant strategies of organizing and politicking by leading sectors of the labor movement, the success of Quebec's "Quiet Revolution" in spurring unionization in the public sector, the existence of a social democratic party allied to Canadian labor, and perhaps the conservative statist cultural heritage of the Canadian state.¹⁴ Other students of the Canadian movement have pointed to the growing provincial and federal clout of Canadian labor's political vehicle, the New Democratic party, and the militant response by many elements of the labor movement which have helped to stem the New Right tide in Canadian politics and recoup labor's position and status on the Canadian political landscape.¹⁵

Within the North American auto sector, the more traditional labor-management model continues to be practiced within Canadian plants while much of American organized labor has moved from the more adversarial model towards a more "cooperative" labor-management approach.¹⁶ These different models have played themselves out in the different paths taken by the United Auto Workers and the Canadian Auto Workers in the era of capitalist industrial restructuring from the Arab oil embargo onward. With the risk of double-digit unemployment and inflation, the inroads of Japanese and then South Korean auto firms into the North American and global auto marketplace, the accompanying challenge of "post-Fordist" management and labor relations to Fordist organization, and the ascendancy of a New Right agenda in the United States and, somewhat less so, in Canada, organized labor in the North American auto industry has faced a series of overlapping and mutually supporting challenges to its traditional role and place.

14. Christopher Huxley, David Kettler, and James Struthers, "Is Canada's Experience 'Especially Instructive'?" *Unions in Transition: Entering the Second Century*, ed. by Seymour Martin Lipset (San Francisco, Calif.: Institute for Contemporary Studies, 1986) 113-132; John Calvert, "The Divergent Paths of Canadian and American Labor," *Reshaping the US Left: Popular Struggles in the 1980s*, ed. by Mike Davis and Michael Sprinker (New York: Verso, 1988), 213-228; and Roy J. Adams, "North American Industrial Relations: Divergent Trends in Canada and the United States," *International Labor Review*, 128 (January-February 1989), 47-54.

15. Leo Panitch and Donald Swartz. *The Assault on Trade Union Freedoms: From Consent to Coercion Revisited* (Toronto: Garamond Press, 1988); Daniel Drache and Harry Glasbeek, "The New Fordism in Canada: Capital's Offensive, Labour's Opportunity," *Osgoode Hall Law Journal*, 27 (Fall 1989), 517-560; and Robert Storey, "Studying Work in Canada," *Canadian Journal of Sociology*, 16 (1991), 241-264.

16. Stephen Wood, "The Cooperative Labour Strategy in the US Auto Industry," *Economic and Industrial Democracy*, 7 (1986), 415-447.

As Sam Gindin¹⁷ and Charlotte Yates¹⁸ have argued, the greater success of the Canadian wing of the international auto union in responding to political and corporate incursions on its power and influence hinged, in part “on [the] union’s past choices and practices, its analysis of society and organized labor’s place within it, and those organizational structures which facilitate or impede a union’s ability to effectively mobilize its membership.”¹⁹ The UAW leadership responded to corporate demands for concessions and union-busting campaigns in ways that meant *de facto* acceptance of a strategic reformulation of the collective bargaining process and the union’s power and place within it.²⁰ The Canadian UAW, on the other hand, fought these threatening developments in order to preserve the traditional framework of collective bargaining and maintain the vitality of the trade union movement.²¹

By adopting a no-concessions strategy; institutionalizing a “culture of struggle” through films, music, art, and other political educational materials; fostering internal democracy within the union wing; and establishing a well-staffed research department to investigate the union’s condition and to chart of new directions and policy alternatives, the Canadian wing has vaulted into the vanguard position in the Canadian labor movement and found itself on a collision course with its American parent.

By 1985, the divisions within the leadership ranks of the international auto union became unbridgeable, forcing the Canadian wing to break away and set an independent course.²² Thereafter, the UAW confronted deep challenges to its already declining fortunes from the six Japanese transplants in the mid-American heartland while in Canada; likewise the entrance of East Asian auto facilities provided the most formidable challenge to the Canadian Auto Workers since its split with the international. One challenge to union power came from the transplants that had a Big Three joint venturer

17. Sam Gindin, “Breaking Away: The Formation of the Canadian Auto Workers,” *Studies in Political Economy*, 29 (Summer 1989), 63–89.

18. Charlotte Yates, *From Plant to Politics: The Canadian UAW, 1936–1984*, Ph.D. Dissertation (Ottawa, Ont.: Carleton University, 1988); and Charlotte Yates, “The Internal Dynamics of Union Power: Explaining Canadian Autoworkers’ Militancy in the 1980s,” *Studies in Political Economy*, 31 (Spring 1990), 73–105.

19. Gindin, *op.cit.*, 75.

20. Wood, *op.cit.*

21. Gindin, *op.cit.* 79–83; and Yates (1990), *op.cit.*, 96–100.

22. Jacqueline Scherer, “The Canadian-American UAW Controversy: Issues and Lessons,” a paper prepared for the Midwest Association of Canadian Studies, 1988; Gindin, *op.cit.*; and John Holmes and A. Rusonik, *The Breakup of an International Union: Uneven Development in the North American Auto Industry and the Schism in the UAW* [Working paper 90–1] (Kingston, Ont.: Industrial Relations Centre, Queen’s University, 1990).

(Mazda, NUMMI, and CAMI) and from Saturn with whom the UAW and CAW had negotiated prehire agreements.²³ The third and fourth sections will explore the diverging paths taken by the UAW at Saturn and the CAW at CAMI. Another challenge, the focus of the fourth section, came from the six nonunion Japanese and Korean automobile companies whose transplants located in greenfield sites spanning the industrial corridor from Smyrna, Tennessee to Bromont, Quebec.²⁴

The United Auto Workers and Saturn

The Saturn Project began in the early eighties at the initiative of Roger Smith, General Motors' chairman, as an experiment to compete head-to-head with the Japanese automakers in the subcompact car market, a market GM had hitherto ceded its domestic and foreign competitors.²⁵ Backed by the commitment and clout of GM's chairman, Saturn²⁶ was designed by the Committee of 99 drawn from management and organized labor to leapfrog the competition and build subcompact cars in a revolutionary way using a

23. The six Japanese and Korean automobile assembly plants are located near small towns in rural or greenfield settings; Diamond-Star (Mitsubishi) in Bloomington-Normal, Illinois; Honda in Marysville, Anna, and East Liberty, Ohio and Alliston, Ontario; Hyundai in Bromont, Quebec; Nissan in Smyrna, Tennessee; Subaru-Isuzu in Lafayette, Indiana; and Toyota in Georgetown, Kentucky, and Cambridge, Ontario.

Diamond-Star, initially a 50/50 Chrysler-Mitsubishi joint venture, became a wholly owned Japanese transplant in October 1991 when Mitsubishi purchased Chrysler's 50 percent stake. Clay Chandler and Bradley A. Stertz, "Mitsubishi Buys Chrysler's 50% Stake in their Diamond-Star Joint Venture," *Wall Street Journal* (October 30, 1991), A-4.

Saturn is located in Spring Hill, Tennessee, a greenfield site, as is one of the three Big-Three-Japanese joint ventures, CAMI (GM-Suzuki) in Ingersoll, Ontario, but the other two, NUMMI (GM-Toyota) and Auto-Alliance (Ford-Mazda) are in the brownfield sites of Fremont, California and Flat Rock, Michigan.

24. Mazda was initially described as a Japanese transplant, not as a joint venture. Nevertheless, it appears to have been a Ford-Mazda joint venture from the start. Ford owned 25 percent of Mazda, Mazda purchased its Flat Rock plant from Ford, which makes Ford Probes, and unlike any other transplant, Mazda negotiated a prehire agreement with the UAW. Mike Parker, "New Union Concessions in Secret Agreement Between UAW and Mazda," 84 *Labor Notes* (February 1986), 1; and Joseph J. Fucini and Suzy Fucini, *Working for the Japanese: Inside Mazda's American Auto Plant* (New York: Free Press, 1990), 8-9. In June 1992, Flat Rock assembly plant became a 50/50 Ford/Mazda joint venture, which is named Autoalliance International.

25. Maryann Keller, *Rude Awakening: The Rise, Fall, and Struggle for Recovery of General Motors* (New York: Harper-Collins, 1989), 93-96.

26. Saturn was named and modeled after America's rocket used in the Apollo mission to overcome the Soviet Union's early lead in space exploration and to send Americans to the moon.

whole new production system and a unique labor-management contract.²⁷

Although Roger Smith's dream of a highly automated "paperless" factory of the future ran aground of technological and organizational realities, many others were realized when GM formally announced its decision in early January 1985 to form the Saturn Corporation, as a wholly owned GM subsidiary, and to solicit bids from sites and localities for the Saturn production facility.²⁸ In the industrial recruitment contest that followed, 38 states offered a variety of incentive packages to attract the GM investment. In July 1985, GM ended this six-month contest with an announcement that it had accepted Tennessee's \$80 million offer and would build the Saturn at Spring Hill, a greenfield site about 30 miles south of Nashville.²⁹

General Motors agreed from the outset to negotiate a union contract with the United Auto Workers union despite Saturn's location in a right-to-work state. To the consternation of state and particularly local Tennessee officials who saw the state's incentives as a means of relieving area unemployment, the GM-UAW agreement included a provision stating that the Saturn workforce would be recruited entirely from UAW members on indefinite layoff or from UAW volunteers at GM's other U.S. plants.³⁰

The GM-UAW Saturn contract was a radical departure from the traditional union-management agreements and met with heated debate and stiff opposition despite the fact that the UAW executive board ratified it by a 23-to-1 vote on July 26, 1985, and included an attachment to the contract characterizing the Saturn accord as a "special case" and not as a precedent for other plants.³¹ Yet few could doubt that it established an alternative

27. Ellen Jordan, "Saturn Unfolds: The Dream Becomes a Reality," *Nashville-At-Home*, October 1988, 13-14; and Lee Alpert, *Call Me Roger* (New York; Contemporary Books, 1988), 239-48.

28. H. Brint Milward and Heidi Hosbach Newman, "State Incentive Packages and the Industrial Location Decisions," in Ernest J. Yanarella and William C. Green, eds., *The Politics of Industrial Recruitment: Japanese Automobile Investment and Economic Development in the American States* (Westport, CT: Greenwood Press, 1990), 41-43; and William F. Fox and Warren G. Neel, "Saturn: The Tennessee Lessons," *Forum for Applied Research and Public Policy*, Spring 1987; 7-16. On the shattering of the myth surrounding Saturn, see Keller, *op.cit.*, 219-220.

29. For the announcement, see Randy Hilman and James Pratt, "Spring Hill Gets Saturn," *The Tennessean*, July 26, 1985, 1,8. Tennessee's \$80 million incentive package included \$50 million in road improvements and \$30 million for worker training. For the terms of the incentive package, see the table in Milward and Newman, *op.cit.*, 35.

30. Ann J. Job, "Contract OK Won't Mean End to UAW Debate," *Detroit Free Press*, July 28, 1985, 13A; and Tim Kiska, "Tennessee May Not Get Jobs Boom," *Detroit Free Press*, July 28, 1985, 12A; and "Tennessee Threatens to Block SATURN Plant," *Detroit Free Press*, September 1, 1985, 7A.

31. John Russo, "Saturn Rings: What GM's Saturn Project is Really About." *Labor*

model for union management relations in the auto industry.

A key Saturn contract provision contained a commitment to jointness or worker-management cooperation at every level of the plant's operation. The Saturn contract has been exceptional in its elimination of Paragraph 8's management rights clause, a cornerstone of GM-UAW contracts since the thirties, and its substitution by vaguely worded Sections 10 and 11's provisions on structure, decision making, and consensus, which call for "full participation by the Union" and "use of a consensus decision-making process" involving "free flow of information and clear definition of the decision-making process."³² This extension of formal worker participation in management, planning, and operation involved the institution of jointly represented committees grounded in consensus decision making and problem solving from the shop floor to the strategic planning council. In addition, the contract reduced the number of job classifications from over one hundred to one for all unskilled workers and three to five for skilled workers.³³ Other features of Japanese production management were also incorporated into the contract or structured into plant operations and worker-management relations. These included use of the team concept, extensive training for all workers, protection against layoffs except for catastrophic events or severe economic conditions, and reduction or elimination of status differences between labor and management. The last noteworthy provision established a pay formula that would eventually put up to 20 percent of union workers annual pay "at risk" on the basis of meeting performance, quality, training, and profits objectives or expectations.³⁴

Saturn stands out as a "pure post-Fordist" model for a unionized auto plant and as a challenge to an international auto union to fashion a strategy for turning the rhetoric of workplace democracy into reality. Yet the UAW's involvement in the Saturn project exists against the backdrop of a union that has suffered a veritable hemorrhage in membership³⁵ and has straddled the

Research Review, vol. V (Fall 1986), 67-77; Ann M. Job, "Pete Kelly: A Critic Within the Family," *Detroit Free Press*, July 11, 1985, 10B; Ann M. Job, "SATURN May Change Labor Relations," *Detroit Free Press*, July 11, 1985, 1F; and Helen Fogel, "For Union It May Be a Mixed Blessing 'Doing Things Differently' Could Mean Fewer Auto Plant Jobs," *Detroit Free Press*, July 28, 1985, 14A.

32. "Saturn Labor Agreement Approved by UAW in July 1985 [Text]." Washington, DC: Bureau of National Affairs, June 4, 1986, E-1 to E-6.

33. Ann M. Job, "UAW Pact Blurs Worker, Manager Distinctions," *Detroit Free Press*, July 28, 1985, 14A.

34. *Ibid.*

35. UAW membership plummeted from 1.53 million in 1973 to 862,000 in 1991. The UAW dropped from representing 86 percent of the American auto workers in 1979 to less than

issue of worker participation versus worker power and sent mixed cues to union locals about "post-Fordist" or lean production-type practices. These circumstances have triggered a diverse set of responses from plant to plant ranging from outright resistance to virtual total accommodation.³⁶ Since the plant's startup in July 1990, the Saturn experiment in labor-management cooperation or jointness has set in motion some ominous trends that threaten to undercut the strength and solidarity within the UAW and erode its commitment to local union democracy.

The Saturn contract's elimination of the management rights clause and its commitment to jointness have meant that in the everyday operation of the Saturn complex, the terms and locus of corporate power have shifted from the conventional hierarchical arrangements epitomized in the managerial rights provision at the strategic level to the more formally participative and pseudo-egalitarian relations underpinned by a veiled use of corporate power worked out within joint committees and in training sessions.

To illustrate, Saturn's operations involve a multiplicity of joint committees from top to bottom that involve representatives of rank-and-file union workers and management in consensus decision making on long-term strategic and more immediate day-to-day issues. Some proponents of the Saturn experiment, like Irving and Barry Bluestone, applaud it as an approximation of an innovative Enterprise Compact of the future,³⁷ but the daily jointness of the Saturn worker cooperation process has more fundamentally served to socialize union representatives and the workforce into the Saturn corporate ideology, values, and priorities set forth in the mission statement. Visitors to Saturn provide evidence of the blurring of labor and management's separate identities and conflicting interests with their oft-cited observation that it is impossible to distinguish the formal presentations of salaried (management) employees from those of the nonsalaried (labor) employees at the plant or the training center.³⁸ Saturn is also vulnerable to Robbins's and March's critique of Theory Z organizations analyzed and touted by William Ouchi, since the Spring Hill assembly plant tends to obscure in its daily operation the critical difference between worker power

68 percent in 1991. Cited in Jane Slaughter, "Shrinking Auto Union Beats Back Reformers," *Autoworker Gazette: Newsletter of the Rank and File Coalition*, July/July 1992, 3.

36. Turner, op.cit., see intro., chap. 1, and conclusion.

37. Barry Bluestone and Irving Bluestone, *Negotiating the Future, A Labor Perspective on American Business* (New York: Basic Books, Inc., 1992), 191-201.

38. Most recently mentioned by Gary High, Manager, Human Resource Development, People Systems, Saturn Corporation, interview, Training Center, Saturn plant, Spring Hill, Tennessee, March 16, 1993.

and worker participation and to enhance managerial control "while giving the impression of lessening it."³⁹

Worker training assumes a critical role when formal managerial rights are scrapped for the appearance of greater democracy and equal labor-management influence. On the positive side, the Saturn training program is one of the most extensive and innovative among American and Japanese auto assembly plants in the United States.⁴⁰ Production workers are expected to make a commitment to receive at least 92 hours of formal training annually as part of the risk and reward compensation system of the company. Down from 300 and then 175 hours during 1988–1991, the 92 hours, roughly 5 percent of total annual work hours, represents the "at risk" portion of workers' wages.⁴¹ Yet, as critics of corporate training programs like Saturn's point out, upwards of 70 percent of such training programs at GM facilities fall in the category of cultural or attitudinal training, i.e., indoctrination into the reigning corporate ideology. Much of the rest that falls into the category of technical training is not transferable to other plants and, therefore, reduces the worker's potential mobility.⁴²

The increasing solidification of the union-management partnership at the elite level has been accompanied by the ebbing of democratic processes within the local union. Personal interviews and published reports have disclosed that local 1854 has no union hall outside the plant; its meetings are freely attended by corporate and human resources officials;⁴³ and its local president, Mike Bennett, has buffered himself from the rank and file by two

39. The quotation is from Stephen P. Robbins, "The Theory Z Organization from a Power-Control Perspective," *California Management Review*, vol. XXV (January 1993), 75; and Robert M. Marsh, "The Difference Between Participation and Power in Japanese Factories," *Industrial and Labor Relations Review*, vol. 45 (January 1992), 250–257. Ouchi's book is titled, *Theory Z: How American Business Can Meet the Japanese Challenge* (New York: Avon Books, 1981).

40. High, interview, March 16, 1993; and Geber, op.cit., 29.

41. Cited from a GM memorandum in David Robertson and Jeff Wareham, *Technological Change in the Auto Industry* (North York, Canada: CAW Technology Project, 1987), 47; David Robertson, "Corporate Training Syndrome: What We Have is Not Enough and More Would Be Too Much," and "The Meaning of Multi-skilling," in *Training for What? Labor Perspectives on Skill Training*, ed. by Nancy Jackson (Toronto: Our Schools/Our Selves Foundation (November 1992), 18–28 and 29–42 respectively.

42. In addition to our site visit, guided tour, and interview with Gary High at the Saturn Training Center, our analysis of corporate training at Saturn also draws upon selected materials provided by the human resources manager and two articles: Brian S. Moskal, "Hybrid Incubator Hatches Workers," *Industry Week*, August 7, 1989, 27–28; and Beverly Geber, "Saturn Grand Experiment," *Training*, vol. 29 (June 1992), 27–35.

43. Don Hinkle, business writer, *Columbia Daily Herald*, interview, Columbia, Tennessee, March 15, 1993; and High, interview, op.cit.

layers of 350–400 appointed union officials who hold positions as work unit module advisors and business unit coordinators.⁴⁴ More alarming is the key role played by the local union leadership and its president in manufacturing consent and enforcing corporate policies cloaked as common interests of the rank-and-file membership. The stirrings of grass roots insurgency during the brief life of the union contract and the plant's operation were capped in March and April 1993 by a serious challenge and near run-off defeat of Bennett triggered by the deterioration of local union democracy and the progressive breakdown of local union leadership solidarity with other UAW local unions and the internal transformation of the local union into an agent of corporate power.

During the March 1993 campaign, Bennett was criticized by his opponents for his authoritarian, heavy-handed rule over the local, his disregard for national solidarity, and his apparently active pursuit of a strategy of local autonomy.⁴⁵ Indicative of this tendency toward giving priority to local concerns was Bennett's criticism of UAW local 1714's nine-day strike in September 1992 against the GM Lordstown stamping plant over outsourcing policy. When the strike idled Saturn production for a week, Bennett unsuccessfully appealed to UAW international officials to exempt some of the Lordstown workers from the strike in order to let them cross the picket lines to produce parts for Saturn.⁴⁶ Bennett's appeal clearly demonstrated his greater interest in maintaining Saturn production over saving jobs of fellow and sister members at the Lordstown plant.

The Saturn experiment thus raises a number of questions about the prospects and implications of the UAW's unique partnership with the Saturn corporation for the UAW's status, strategy, and future strength. Saturn also presents a host of issues for labor and management. For local 1854, Saturn raises the issue of the local's unfolding identity. Is it becoming a truly equal partner in a model Enterprise Compact or is it slipping into the mold of a company union by another name? As for the Saturn operation itself, the Saturn experiment asks whether this apparent corporate success story offers generalizable lessons for other assembly plants in GM or whether its achievements to date are unique, idiosyncratic, and subject to changing whims of quixotic customers and shifting fortunes of a glutted North Ameri-

44. Don Hinkle, "Saturn Election May Impact Economic Growth in County," *Columbia Daily Herald*, March 10, 1993, 1,3.

45. Don Hinkle, "Challenger Blasts Saturn's Union Head [interview with Bob Hoskins, nominee of Members for a Democratic Union], *Columbia Daily Herald*, March 9, 1993, 1,3.

46. Jane Slaughter, "Auto Union Wins Outsourcing Protection After Nine-Day Lordstown Strike," *Labor Notes*, October 1993, 5.

can auto marketplace. For the United Auto Workers, Saturn raises the issue of whether and how the union can recover its past power and glory and forge a new identity.

The Canadian Auto Workers and CAMI

On August 27, 1986, General Motors, Canada's largest automaker, and Suzuki Motor Co. Ltd., one of Japan's smallest, announced their decision to locate a \$500 million auto assembly plant in Ingersoll, Ontario, on August 27, 1986. Christened CAMI⁴⁷ by GM-Suzuki officers, the plant itself was expected to employ 2,000 workers and produce annually some 200,000 automobiles and sport utility vehicles (SUVs) when up to full production, scheduled for 1991.

Neither the size of the incentive package nor the mix of inducements comprising it stirred much commentary. What was most noteworthy about this announcement was that, in addition to the usual cast of characters (i.e., Ontario Premier David Peterson, DRIE Minister Michael Cote, Ontario Ministry of Industry Trade and Technology Pat Levelle, Suzuki President Osamu Suzuki and GM Chairman Roger Smith) Canadian Auto Workers' (CAW) President Bob White was in attendance and a signatory to the agreement.⁴⁸ His presence symbolized the decision of the president of Suzuki Motor Co. to avoid a battle over unionization of the plant and to accept from the outset the organization of its workers by Canada's militant auto workers union.⁴⁹

The GM-Suzuki/CAW agreement, which took over two years to negotiate, materialized out of discussions initiated by President Suzuki with CAW leader Bob White in Japan in mid-1985, continued by means of informal bargaining among the Japanese automaker and Canadian partner and the union, and concluded with an understanding in the summer of 1986. A formal three-year contract between the two sides was reached in mid-January 1989 and was ratified by over 80 percent of CAW local 88's membership on January 21, 1989.⁵⁰ This flexible labor agreement was a clear departure from traditional auto union contracts and represented a necessary

47. CAMI is an acronym for Canadian-American Manufacturing, Inc. and the symbol for a divinity in Shintoism.

48. James Daw, "GM, Suzuki to Build Car Plant in Ingersoll," *Toronto Star*, August 27, 1986, E1.

49. James Daw, "Japanese-style Hiring Hall Knocks Auto Workers' Boots Off," *Toronto Star*, July 24, 1988, F1.

50. Interview with Ron Pellerin, Director of Service, Canadian Auto Workers, Willowdale, Ontario, August 1, 1991.

concession by the CAW to gain access to an auto plant organized around Japanese lean production methods.⁵¹

The CAMI plant's management is divided between GM managers who handle human resource and financing functions and Suzuki management personnel who are responsible for plant design, car models, much of the machinery, and for running the manufacturing and engineering operations and sourcing activity.⁵² With its modified Japanese-style management, CAMI has become an experimental laboratory for training GM executives in the so-called lean production facilities in other parts of Canada and the United States.⁵³ For the Canadian Auto Workers, it has also been an important testing ground for blending traditional union interests and goals with a management philosophy and production line guided by new assumptions, tasks, techniques, controls, and social relations.⁵⁴

In so doing, the CAMI plant and its "post-Fordist" methods have created a series of problems and dilemmas, which the auto union and its leadership have yet to overcome.

This new flexible production facility has instituted new organizational and production methods, including the team concept, quality circles, multiskilling, and a truncated pseudo-egalitarian job classification structure, that are antithetical to traditional labor-management relations and the structure and roles of unions. The CAW response to these changes, at least on the surface, has appeared ambivalent and contradictory. The CAW has rhetorically upheld the virtues of traditional collective bargaining methods and adversarial trade unionism in the face of the "post-Fordist" threat from East Asia. For instance, in its "CAW Statement on the Reorganization of Work,"⁵⁵ the leadership of the Canadian auto workers set forth a strong and sweeping eleven-point indictment of workplace restructuring along Japanese Production Management (JPM) lines and rejected virtually all of the major

51. Interview with James Rinehart, professor of sociology, University of Western Ontario, London, Ontario, July 27, 1991; and David Robertson, James Rinehart, Christopher Huxley, and the CAW Research Group on CAMI, "Team Concept and *Kaizen*: Japanese Production Management in a Unionized Auto Plant," *Studies in Political Economy*, vol. 39 (Autumn 1992), 77-107.

52. Lindsay Chappell, "GM Flocks North to Learn from Lean, Mean CAMI," *Automotive News*, 66 (May 20, 1991b), 1,44; and interview with Tom Grygorcewicz, plant chair, CAW local 88, CAMI plant, Ingersoll, Ontario, July 30, 1991.

53. Chappell, op.cit.

54. Robertson, Rinehart, and Huxley, op.cit.; and Jeff Blount, "Behind the Lines," *Canadian Business*, January, 1990, 62-67.

55. Canadian Auto Workers, "Statement on the Reorganization of Work," Willowdale, Ont.: CAW National Headquarters, 1989.

features of Japanese-inspired flexible production. At the same time, the CAW policy statement champions true workplace democracy and supports quality production and technological innovation that do not weaken worker rights, erode workplace conditions, and undercut union independence. On the other hand, the Canadian auto union made a "tactical compromise,"⁵⁶ and entered into negotiations with Suzuki, and then GM and Suzuki, that resulted in a union contract at the CAMI plant. In exchange for recognition as the sole bargaining agent for CAMI's production and maintenance employees, the union formally endorsed with only slight modification a flexible production agreement that included the team concept, the *kaizen* (or continuous improvement) process, a highly truncated job classification scheme, and quality circles.⁵⁷

Since signing the CAMI contract, the union has striven to confront the dilemmas of working in a plant governed by principles and practices inimical to traditional union authority and rights. Indeed, even before gaining union representation at CAMI, the education and research departments in the CAW national office began to work out the problems and dilemmas posed by JPM techniques.⁵⁸ As CAMI's local 88 and the CAW national headquarters have come to grips with the day-to-day functioning of the CAMI plant, the value of the "tactical compromise" has become more apparent. The CAW is confronting a new and evolving set of production methods and industrial relations that, in helping to foment the crisis of Fordism, is severely testing the capacity of unions to adapt to, and to struggle to modify and refashion so-called "post-Fordism" in the production process and on the shopfloor.⁵⁹ While there is no certainty that these efforts will succeed, a survey of CAMI local 88's newsletter and interviews with CAW local and national representatives⁶⁰ confirm that the union is "locked in a struggle for the hearts and minds of the workforce" and is strategically positioned "between a collective agreement that accommodates aspects of team concept and a policy statement of the national union that raises substantial questions about the implications of JPM."⁶¹ Already, it has become clear that the role and loyalty of the team leaders are pivotal in shaping the outcome of the

56. Rinehart, op.cit.

57. CAMI-CAW, *Agreement between CAMI Automotive Inc., and CAW Local 88*, January 23, 1989–September 14, 1992.

58. Robertson, Rinehart, and Huxley, op.cit, 13.

59. Don Wells, *Empty Promises: Quality of Work Life Program and the Labor Movement* (New York: Monthly Review Press, 1987); Drache and Glasbeek, op.cit.; and Robertson, Rinehart, and Huxley, op.cit.

60. Grygorcewicz, op.cit.; and Pellerin, op.cit.

61. Robertson, Rinehart, and Huxley, op.cit., 14.

combat.⁶² Whether the production teams become integrated into the corporate philosophy of the company or become vehicles for resistance and reconstruction of the labor process depends crucially on the self-identity of those leaders. Are they appendages of management or representatives of union labor?

The CAW at various levels has also undertaken several initiatives to illuminate and support the shopfloor struggle. In the negotiations over the CAMI contract, the CAW bargained for the right to monitor the plant's operation. This concession has led to a two-year study by the CAW research team of the dynamics and impact of flexible production methods upon this unionized plant.⁶³ The CAW has also investigated in a series of studies some of the critical issues relating to the impact of technological innovation in industries where it has union representation.⁶⁴ In addition, the CAW research staff has also turned its attention to an assessment of the union's stakes in the international debate over worker-training programs and the incipient policy debate over the same issue among Canadian labor studies and critical political economists.⁶⁵

Local 88's leadership, aware that modified flexible production techniques have been appropriated by the Big Three automakers and instituted in other North American auto plants, has begun to participate in an informal network of unions in Canada and the United States designed to exchange information and lessons from their shared struggle with flexible production plants. Since January 1991, representatives between CAMI's local 88 and renegade UAW local 3000 at Mazda's Flat Rock, Michigan, plant have visited one another and issued reports on the Mazda local's success in winning concessions from management in its latest contract. These contracts shaped the demands, the strike, and the final outcome of local 88's contract negotiations with GM-Suzuki in late September and early October 1992. Subsequently, these two locals have brought representatives of the UAW

62. *Ibid.*, 30; Grygorcewicz., op.cit.; and Rob Pelletier, "President's Message," *Off the Line*, No. 7 (February 1991), 1.

63. Robertson, Rinehart, and Huxley, op.cit.; and CAW Research Group on CAMI, *Japanese Management in a Unionized Auto Plant: Final Report to Labor Canada* (North York: CAW Research Department, March 1992), inc. "CAMI Comments."

64. David Robertson and Jeff Wareham, *Technological Change in the Auto Industry: CAW Technology Project*, Willowdale, Ontario: CAW/TCA, April 1987.

65. Leon Muszynski and David A. Wolfe, "New Technology and Training: Lessons from Abroad," *Canadian Public Policy*, 15 (September 1989), 245-264; Rianne Mahon, "Adjusting to Win? The New Tory Training Initiative," *How Ottawa Spends 1990-91: Tracking the Second Agenda*, ed. by Katherine A. Graham (Ottawa, Ont.: Carleton University Press, 1991), 73-111; David Robertson, "Corporate Training Syndrome," op.cit.; and David Robertson, "The Meaning of Multi-skilling," op.cit.

local at the Mitsubishi Diamond-Star plant in Bloomington-Normal, Illinois, into the evolving constellation.⁶⁶

The UAW, CAW and The Nonunion East Asian Transplants

The UAW and CAW have faced formidable barriers in organizing the U.S. and Canadian East Asian transplants, which made location and recruitment decisions and used lean production practices, in part, to limit labor organizing. All the transplants, located in greenfield sites, recruited from an essentially small town, nonunion labor force with limited manufacturing experience; employed a recruitment process to screen out applicants with prounion sympathies and screen in team players; and used the team concept not merely to organize and set the pace for work, but also to shape the workers shopfloor culture and, thereby, to frustrate worker efforts to organize.⁶⁷

The UAW efforts to organize the transplants suffered an early setback. In 1985, the union discontinued its Honda organizing drive for lack of worker support. The scheduled election was not held and for now, the UAW appears to have written off any active interest in returning to Marysville.⁶⁸

Of the other three nonunion transplants, the UAW's most serious organizing effort began at Nissan in early 1988. In the often bitter twenty-month campaign that followed, the union focused on the high incidence of worker injuries, such as carpal tunnel syndrome, and company efforts to increase workloads through front-office *kaizen*.⁶⁹ The UAW organizing campaign was, however, disadvantaged from the outset by Nissan's greenfield location in a right-to-work state, its recruitment and training practices, its high wages, and its no layoff practices. The UAW also encountered a vigorous antiunion campaign by the automaker.⁷⁰ As Jane Slaughter observed: "Nissan used its plant-wide video system and daily work group

66. David C. Binns, ed. and comp., *A Shared Struggle: A Local 88 Communications Committee Special Report on the Meetings with UAW Local 3000 Mazda Unit in Flat Rock, Michigan*. mimeo, 1991; John L. Fulton *Special Report: A Communications Committee Follow-up Report on UAW-Mazda Agreement 1991-1994*, mimeo, 1991; and Grygorcewicz, op.cit.

67. See, e.g. Shimada and McDuffie (1987), op.cit., 55-56; Kenney and Florida (1993), op.cit., 101-105; and Laurie Graham, "Inside a Japanese Transplant: A Critical Perspective," *Work and Occupations*, vol. 20 (May 1993), 147-73.

68. "Workers at Nissan Turn Down U.S. Union." *Toronto Star*, July 28, 1989, A-4.

69. Phil West, "Will Nissan Unionize?" *Lexington Herald-Leader*, July 23, 1989, D-1; and Jane Slaughter, "Behind the UAW's Defeat at Nissan," *Labor Notes*, September 1989, 1,12,13.

70. Kenney and Florida (1993), op.cit., 284-85; and Slaughter, op.cit., 13.

meetings to hammer home its antiunion message. . . . The day before the vote, Nissan shut down the line for up to an hour on each shift for captive audience meetings."⁷¹

In July 1989, Nissan workers rejected UAW representation by a vote of 1622 (69 percent) to 711 (31 percent). Nearly one-third of Nissan workers had supported the union in spite of the transplant's efforts to recruit a non-union workforce and to staunchly resist its unionization, but it was still a defeat that would encourage the other transplants to actively resist unionization. In the wake of its defeat, the UAW bravely vowed to organize Toyota, but the Georgetown plant remains unorganized. At Subaru-Isuzu (SIA), the UAW began organizing efforts in 1991, but an election has yet to be held.⁷²

In Canada, the Toyota and Honda assembly plants have thus far been resistant to CAW organizing campaigns. Honda and Toyota have also located in the greenfield sites of Alliston and Cambridge, Ontario, and have closely screened potential employees for union sympathies.⁷³ The Honda management has also been accused of finding excuses for firing union supporters in its workforce.⁷⁴ The CAW has found it difficult to organize the two transplants, because Canadian plants have tighter security surrounding the facilities and maintain a lower profile in their communities than do those in the United States. Canadians also seem to be less hostile and willing to grant greater latitude to big business in Canada, despite the relative strength of trade unions and social democratic organization there.⁷⁵ So it is not surprising that organizers have been hassled by plant security officers and forced to locate their leafleting completely off plant grounds.⁷⁶

The CAW chances of winning union certification appears highest at the Hyundai plant in Bromont. Having worked hard since the seventies to promote union organizing of plants in Quebec, the union restructured its organization, following its independence from the UAW, by setting up a

71. Jane Slaughter, "Behind the UAW's Defeat at Nissan," *Labor Notes*, September 1989, 1,12,13.

72. Greg Gardner and Nunzio Lupo, "UAW, Stung by Loss in Tennessee, is Struggling," *Lexington Herald-Leader*, July 30, 1989, D-1; and Lindsay Chappell and Kathy Jackson, "UAW Again Targets the Transplants," *Automotive News*, January 14, 1991, 2.

73. James Daw, "Japanese-style Hiring Hall Knocks Auto Workers' Boots Off," *Toronto Star*, July 24, 1988, F1.

74. Interview with Hemi Metic, Director of Organizing, Canadian Auto Workers, Willowdale, Ontario, August 1, 1991.

75. Seymour Martin Lipset, *North American Cultures: Values and Institutions in Canada and the United States* [Borderlands Monograph Series #3] (Orono, Me.: The Canadian-American Center, 1990).

76. Metic, op.cit.

Quebec regional office and director and establishing a Quebec Council with co-equal status with the Ontario-dominated CAW Council.⁷⁷ At Hyundai, the CAW organizing drive has centered on job rotation work rules and the sliding-scale pension plan introduced by Hyundai management.⁷⁸ Since spring of 1991, reports have circulated that the auto union effort was close to reaching the magic number required for union certification, although one field organizer reported in early August 1991 that its formal request was being deferred.⁷⁹ Apparently, the Hyundai management's release of conflicting information on the exact number of plant employees led union organizers to acquire extra signatures on union cards to be assured of acquiring certification,⁸⁰ an effort complicated by a rumor that Hyundai was considering moving the plant to Mexico.⁸¹

In sum, the seven East Asian assembly plants in the American Midwest, Ontario, and Quebec have successfully resisted union organization efforts. None of their workers is represented by the UAW or CAW. Given the United States and Canada's prevailing economic woes and the high wage scales of these plants, the UAW's and CAW's struggle to unionize these transplants will face an uphill battle. At the same time, union organizers believe that the rising rates of job injuries and incidence of carpal tunnel syndrome and other repetitive stress ailments stemming from assembly line speedup and the *kaizen* process will lead to mounting worker restiveness, particularly with the aging of the presently young workforce.

The UAW and CAW confront other dilemmas emanating from these East Asian plants. The widespread popularity of these vehicles (with the possible exception of Hyundai autos), combined with their production levels, have contributed greatly to the overcapacity problem in the North American marketplace. This has meant that older, typically unionized, auto plants in the United States and Canada have been most vulnerable to temporary layoffs and plant shutdowns. While UAW president Owen Bieber's position has been highly ambivalent, Bob White, the CAW president, has argued that

77. Canadian Auto Workers, "CAW-Canada Organizing Report," Willowdale, Ont.: CAW National Headquarters, n.d.

78. Lindsay Chappell, "CAW Tackles Hyundai Canada; Work Rules and Pensions Cited," *Automotive News*, 66 (February 11, 1991), 6.

79. Metic, op.cit.; interview with Francois Shalom, "Battle to Form Union at Hyundai Heats Up; CAW Say It is Close to Having Enough Support to Hold Vote," *Montreal Gazette*, December 12, 1990, C1; and James Daw, "Hyundai Workers Sign Up for Union," *Toronto Star*, May 23, 1991, B4.

80. Metic, op.cit.

81. Interview with Damaris Rose, associate professor and research associate, Institute for National Scientific Research, Montreal, Ontario, August 5, 1991.

the overcapacity problem is management's problem, not an issue subject to collective bargaining with the union.⁸² Still, with the percentage of unionized plant closings in Canada doubling from 1989 to 1990⁸³ and with GM's announcement in December 1991 to abolish 74,000 jobs and close 21 plants by 1995,⁸⁴ harder thinking and more ingenuity in promoting job security seem to be required.

Conclusion

The crisis of Fordism posed by the Japanese production methods remains unresolved. Contrary to those scholars who have declared that Fordism has been superseded by "post-Fordism,"⁸⁵ Rianne Mahon has argued that the possibilities for a diversified Fordist alternative for Canada spearheaded by organized labor, are outlined in the work of Streeck and anticipated by developments within the German labor movement.⁸⁶ This strategic option emphasizes the critical role of organized labor, in coalition with other subordinate groups and movements, to remold tendencies toward authoritarian forms of "post-Fordism" in a direction that realizes the democratic promise of worker involvement, teamwork, multiskilled training, and other illusory claims of flexible production on the shopfloor.⁸⁷

The diverging paths taken by the UAW at Saturn and the CAW at CAMI demonstrate the growing gap between the strategies and tactics of these two auto unions in confronting the crisis of Fordism. Although neither union represents the central tendencies in the labor movement of each coun-

82. Bob White, "Presentation," *The Canadian Auto Industry* [The Financial Post Conferences] (Harbour Castle Westin Hotel, Toronto, Ontario, February 12, 1991), 54–63; and Bob White, "An Inquiry Into the Current Situation of the Canadian Auto Industry," presentation to the hearings before the Standing Committee on Industry, Science, Technology, Regional & Western Development, Ottawa, Ontario, July 9, 1991.

83. Jacqueline Scherer, "The Canadian Auto Workers: A Study in Canadian-United States Relations," a paper for the Midwest Association of Canadian Studies Conference, Lexington, Kentucky, October 11–13, 1990.

84. Warren Brown, "GM to Abolish 74,000 jobs, Shut 21 Plants," *Lexington Herald-Leader*, December 19, 1991, A-1.

85. Kenney and Florida, op.cit.; and Womack, Jones, and Roos, op.cit.

86. Mahon (1987, 1991), op.cit.

87. William K. Carroll, "Restructuring Capital, Reorganizing Consent; Gramsci, Political Economy, and Canada," *Canadian Review of Sociology and Anthropology*, vol. 27 (1990), 390–416; John Harp, "Political Economy/Cultural Studies: Exploring Points of Convergence," *Canadian Review of Sociology and Anthropology*, vol. 28 (1991), 206–224; Wells, op.cit., and Robertson, Rinehart, and Huxley, op.cit.

try in trying to come to grips with that crisis,⁸⁸ the failure of cooperative strategies undertaken by many elements of the American labor movement exemplified by the UAW experience at Saturn to revive the fortunes of organized labor in the United States should give union leaders and labor studies scholars pause. By contrast, the continuing political struggle of the CAW at CAMI and its recently concluded successful strike at the GM-Suzuki plant point to the outlines of a more appropriate, but no less militant strategy for labor in an era between Fordism and "post-Fordism." The CAW example shows that Fordist adversarial practices are not dead or outmoded, though perhaps the issues and terms of the political struggle have been modified.

No doubt, this evolving CAW strategy and any new UAW strategic vista will have to evaluate the new risks and new opportunities from the ongoing process of hemispheric and global restructuring in the automobile industry and the recently concluded negotiations between the United States, Canada, and Mexico on a North American Free Trade Agreement. Organized labor may also face another and even more formidable challenge and be further disadvantaged by the Mexican *maquiladoras* (border plants) and the increased capacity of mobile capital to further redistribute segments of auto production in a continental free trade zone. At the same time, NAFTA will also provide renewed impetus to UAW and CAW efforts to develop closer ties with Mexican workers and to reassert the priority for a truly continental labor response.⁸⁹

The renewed power of the Democratic party in the United States and the ascendancy of the New Democratic party in Ontario and Canadian politics raises the question of what productive role they may play in the larger policy debate over industrial strategy, free trade, and industrial restructuring in a more tightly integrated global political economy. Fordism's great material benefits to workers and consumers were derived in large part from organized labor's participation in this regime of accumulation and consumption. If these parties and their leaders are to be worthy of their man-

88. An important and, in some ways, sobering point made by Don Wells, "Recent Innovations in Labour-Management Relations: The Risks and Prospects for Labour in Canada and the United States," in Jenson and Mahon, *op.cit.*, 290.

89. Matt Witt, "Mexico-US-Canada FTA: Free Workers, Not Free Trade," *Canadian Dimension*, April-May 1991, 28-31; Ricardo Grinspun and Maxwell A. Cameron, ed., *The Political Economy of North American Free Trade* (New York: St. Martin's Press, 1993); and Maureen Appel Molot, ed., *Driving Continentally: National Policies and the North American Auto Industry* (Ottawa, Can.: Carleton University Press, 1993).

dates, they must begin to think through the political stakes and policy terrain for alternatives to a market-based industrial strategy, which merely promotes a bimodal economy of good careers and quality products for the well-to-do and of service and retail jobs for the unorganized and exploited poor.⁹⁰

90. Mahon (1987, 1991), op.cit.; and Mike Davis, "The Political Economy of Late Imperial America," *New Left Review*, No. 123 (1984), 6–38.