

Ford warns of layoffs to cut inventories as Trump boasts of “JOBS! JOBS! JOBS!”

By Shannon Jones
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Ford Motor Company is warning of impending short-term layoffs at several of its factories to reduce a backlog of unsold vehicles. The announcement came amid a continuing drop off in car sales, with Ford's sales slumping 2.5 percent through February.

Ford Chief Financial Officer Bob Shanks told analysts, “Don't be surprised” if the company temporarily idles assembly lines at several North American factories in the coming months. *Automotive News* indicated that Ford's car plants were the most likely to see temporary layoffs, including the Michigan Assembly Plant outside of Detroit and the company's Cuautitlan Assembly Plant in Mexico.

Automotive News reported that Ford's Kansas City Assembly Plant (KCAP) could also face temporary layoffs. The Kansas City facility builds Ford's popular F-150 pick-up.

The new threat to jobs came the same day President Trump touted the announcement by Ford of investments at facilities in Michigan, claiming his administration is promoting job growth. In reality, there has been a continuing stream of temporary and permanent layoff announcements since Trump has taken office.

The layoffs at Ford are the latest product of a continuing slowdown as the seven-year boom in US auto sales winds down. They follow the temporary shutdown of five Ford assembly plants in late 2016 to cut back on unsold inventory. In early 2017, Ford closed KCAP for a week.

General Motors has announced 4,600 permanent job cuts since December. It laid off 2,000 workers in January when it eliminated shifts at its Lordstown, Ohio, Assembly Plant and Lansing Grand River factory in Michigan. This was followed by the elimination of the second shift at the General Motors

Detroit-Hamtramck plant with the loss of some 1,300 jobs in early March. Another 1,100 workers are scheduled to be laid off at the GM Delta Township plant outside Lansing on May 12 with the elimination of the facility's third shift.

Continuing auto layoffs in the US take place under conditions of a global restructuring of the auto industry that has seen the sale of GM's Opel division in Europe to French carmaker PSA and the threat to the jobs of some 40,000 workers across the continent. GM also recently announced the layoff of 600 workers at its CAMI plant in Ontario, Canada, on the eve of contract negotiations. These cost-cutting measures are part of moves to free up cash to hand over to investors by accelerating its \$14 billion stock buyback program.

The Ford announcement of further temporary layoffs comes as Trump is touting the supposed boost in auto employment promoted by his reactionary pro-corporate and nationalist policies. In a ceremony Tuesday, in which Trump signed an executive order opening federal lands to coal mining companies and rolling back modest Obama-era environmental regulations in the name of expanding coal mining jobs, the president praised the announcement by Ford of “massive new spending on three big plants in the state of Michigan.”

Then, in a statement posted Tuesday on Twitter, Trump wrote, “Big announcement by Ford today. Major investment to be made in three Michigan plants. Car companies coming back to US. JOBS! JOBS! JOBS!”

The comments were in response to an announcement by Ford that it was investing \$1.2 billion in three Michigan plants. The company plans to invest \$850 million at its Michigan Assembly Plant to make the new Ford Ranger and Bronco. It is also spending \$150 million to expand capacity at its Romeo engine plant

and is spending \$200 million to build a new advanced data center next to its Flat Rock, Michigan, plant.

Michigan's Democratic congresswoman Debbie Dingell also praised the Ford announcement, claiming the moves "bolster the company's dedication to building its highest tech vehicles here in the US and strengthen its commitment to America workers."

In fact, the Ford announcement did not represent new investments, but a restating of plans it agreed to as part of the 2015 contract negotiations with the United Auto Workers (UAW). Under terms of that sellout deal, the UAW agreed to allow the Detroit automakers to significantly expand the number of super-exploited temporary workers and provide paltry raises for senior workers while maintaining the hated two-tier wage system. The goal was to slash US production costs in line with the policy of "insourcing" by the Obama administration—i.e., luring investment in the US based on promises of cheap labor.

Ford's plans for retooling Michigan Assembly are line with the plans of all the major US-based automakers to wind down passenger car production in the US to concentrate production of more-profitable light trucks and SUVs. Ford is shifting production of the C-Max hatchback and the Focus from Michigan Assembly to an existing facility in Sonora, Mexico, and switching over production to the Bronco and Ranger.

For its part, Fiat Chrysler has announced the six-month shutdown of a portion of the Jeep complex in Toledo, Ohio, for retooling for a new version of the Jeep Wrangler. The move affects 3,200 workers, many of whom are temporary and not eligible for extended unemployment benefits.

Trump's role in supposedly saving jobs at Ford follows his trumpeting of claims to have preserved the jobs of workers at the Carrier heating furnace factory in Indianapolis, Indiana. The agreement negotiated by Trump was a boondoggle for Carrier. It only preserved a portion of the jobs at the plant in a deal that entailed federal tax changes and deregulation that would save the company more than the \$65 million it would get by shifting production to Mexico.

The so-called jobs program of Trump is based on a massive intensification of the exploitation of the working class, combined with tax handouts to business and the elimination of environmental, health and safety regulations. This goes hand-in-hand with the promotion

of strident American nationalism, blaming workers in Mexico, China and other countries for taking the jobs of American workers. The nationalist program of Trump is designed to drive a wedge between American workers and their brothers and sisters overseas while laying the groundwork for trade war and world war.

This nationalist program is being eagerly embraced by the unions, in particular the UAW, which has long promoted economic nationalism and sought to stoke up animosity between American workers and workers in Asia, Latin America and Europe. Earlier this month, UAW President Dennis Williams appeared on a platform with Trump and the CEOs of the Big Three automakers at a rally in Ypsilanti, Michigan. At the event, Trump delivered a fascist diatribe in which he called for the unity of workers, the government and corporations against the supposed foreign menace.

The reality is that the ultra-right demagoguery of Trump is in line with the program of the UAW, which seeks to divert workers' anger over the loss of jobs and continuing attacks on living standards in the direction of xenophobia and militarism. This is complemented by its role in suppressing the struggles of autoworkers in the name of preserving the "competitiveness" of American auto companies against their overseas rivals.

True to form, the UAW has not raised any opposition to the recent layoffs by US automakers, defending the cuts as dictated by "market demand."

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