

# Introduction: Building Other People's Cars: Organized Labor and the Crisis of Fordism

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Japan's rising economic prowess in the 1980s and the reaction of the United States and Canadian governments to its penetration of the North American automobile marketplace prompted Honda, Nissan, Subaru-Isuzu, and Toyota to construct six auto assembly plants across the North American industrial heartland from Smyrna, Tennessee to Alliston, Ontario. At the same time, it led the 'Big Three' auto makers to negotiate joint ventures with three Japanese firms: NUMMI (General Motors-Toyota), Diamond-Star (Chrysler-Mitsubishi), and CAMI (General Motors-Suzuki). Then by the decade's end, this environment moved General Motors to build the Saturn in response to the Japanese challenge.<sup>1</sup> This common American and Canadian experience also involved a transformation in industrial production methods and a reorganization of work defined in terms of Japanese lean production methods and cooperative labor-management relations. This triggered a crisis for the Fordist or mass production regime, its adversarial system of labor-management relations, and organized labor.

The eight essays in this volume provide a comparative cross-national perspective on the implications of the crisis of Fordism for organized labor. They focus on the serious challenges which lean production recruitment, training, "cooperative" labor management relations at the Japanese automobile transplants, their joint ventures with the Big Three auto firms, and GM's Saturn pose for the United Auto Workers' (UAW) and Canadian Auto Workers' (CAW) traditional Fordist organizing, collective bargaining, and shop floor representation practices. In this regard, these essays examine how these two unions have responded to lean production's dilemmas and challenges at the unionized Big Three plants and their Japanese joint ventures. Then they scrutinize the

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implications of nonunion lean production transplants for the limits of worker resistance and the possibilities for worker skills training and development. Finally, these essays explore the reasons for the UAW's and CAW's failure to organize the transplants; the nature of the collective agreements these two unions have negotiated with the joint ventures and Saturn; and prospects for organized labor in a changing international and hemispheric political economy increasingly dominated by lean production.

This opening essay draws upon these themes to introduce this study of organized labor and lean production in the United States and Canada. First, it examines the Japanese transplant recruitment phenomenon and the ensuing debate over lean production. Then it turns to the social, economic, and legal perspectives on organized labor and lean production in the United States and Canada; the divergent national paths the UAW and CAW have taken in response to lean production at the unionized Big Three-Japanese joint ventures and Saturn; and the common challenges both unions confront at the nonunion Japanese transplants. This essay draws to a close with a glimpse at organized labor's future in an era of lean production.

### **Industrial Recruitment, the Transplant Phenomenon, and the Debate Over Lean Production**

Initial North American scholarship on the Japanese transplant phenomenon largely focused on industrial policy and on federal, state, or provincial experiences with the recruitment of these foreign automobile transplants and joint ventures with American auto makers (Bartik, 1984; Blair and Premus, 1987; Chernow, 1979; Dubnick, 1984; Fox and Neel, 1978; Glickman and Woodward, 1989; Goodman, 1979; Grady, 1987; Lind and Elder, 1986; Milward and Newman, 1988; and Yanarella and Green, 1990). Studies of the politics of industrial recruitment explored the use of state or provincial tax and financial incentives to attract these assembly plants; the competition between the states and provinces and the escalating incentive packages they offered to have one of their communities chosen as the plant site; the constitutional issues generated by these state incentive schemes; the economic, social, and environmental impacts of these foreign assembly plants on the greenfield communities; and the episodic opposition they generated from environmental, labor, and community groups.

The economists and business management scholars who provided the major themes in the study of this transplant phenomenon and its impacts brought to these studies their economic growth agenda and boosterist biases (Blair, Endres, and Fichtenbaum, 1990; Blair and Premus, 1987; Fox, 1990; Fox and Neel, 1987; Gelsanliter, 1990; Miles, 1988; Shook, 1988; and Williams and Brinker, 1985). When United States and Canadian auto workers began build-

ing other people's cars using Japanese production methods (JPM) or lean production techniques, economists and management gurus who had studied these techniques and their application extolled their virtues in epochal terms. According to James Womack and his fellow researchers (Womack, Jones, and Roos, 1990) at MIT's International Motor Vehicle Project (IMVP), lean production techniques heralded the resolution of the Fordist crisis and the appearance of a "post-Fordist" regime synthesizing mass and craft production.

Critical studies on the transplant phenomenon and the crisis of Fordism have rejected this managerial perspective. Scholars from labor studies, critical sociology, radical (Marxist and post-Marxist) geography, and political science have begun to expand the theoretical and strategic horizons of the post-Fordist/lean production debate as it relates to organized labor and life on the shop floor (Babson, 1993; Bradbury, 1989; Carroll, 1990; Dohse, Jurgens, and Malsch, 1985; Drache, 1991; Drache and Glasbeek, 1989; Graham, 1993; Green, 1990; Hansen, 1990; Harvey, 1989; Holmes, 1988, 1989, 1991; Jenson, 1990; Jessop, 1990; Lowery, 1990; Mahon, 1987, 1991; Mair, Florida, and Kenney, 1988; Parker, 1990; Perrucci and Patel, 1990; Robertson, Rinehart, and Huxley, 1992; Sayer and Walker, 1992; Williams, Cutler, Williams, and Haslam, 1987; Yanarella and Green, 1993, 1994a and b; and Yanarella and Reid, 1990). In so doing, these second-wave social analysts have tapped into wider theoretical discussions and debates in England, Germany, and Italy and have placed their concerns over lean production's alternative to Fordism within continental and global theoretical frameworks generated by the French regulationist school led by Michel Aglietta, Alain Lipietz, Michel DeVroey, and Alain Noel; by the spectrum of European and Australian post-Fordist schools represented by Michael Piore and Charles Sabel, Stuart Hall, and John Mathews; and by the German neo-Fordist and post-Fordist schools organized around the work of Knuth Dohse, Ulrich Jurgens, and Thomas Malsch, and Wolfgang Streeck, Arndt Sorge, and Horst Kern, respectively. As a consequence, this latest phase of scholarship in the United States and Canada promises to take earlier, more traditional disciplinary interests and foci and to replace them with a more theoretically sophisticated and globally grounded agenda which opens up the Fordist/post-Fordist controversy to new actors, larger issues, and more complex local-state-global interactions.

The American and Canadian scholarly debate, which is now beginning to feel the impact of these critical studies, is still largely shaped by the vocabulary and outlook of the high priests of the lean production school. James Womack and his IMVP colleagues in their *The Machine That Changed the World* (1990) and Martin Kenney and Richard Florida in their *Beyond Mass Production* (1993) have been the most notable champions of this new economic regime and its accompanying mode of production and consumption. While the epochal claims of the lean production school have been carefully scrutinized

and exhaustively criticized on theoretical, conceptual, and empirical grounds, the post-Fordist variation offered by Kenney and Florida has yet to be critiqued in the growing literature on the Fordist/post-Fordist controversy.

In the first chapter, Carl H. A. Dassbach begins to fill this lacuna by subjecting this lean production literature to sustained critical analysis. From a neo-Fordist perspective on JPM, he raises serious questions about Womack's work and Kenney and Florida's arguments. Since the MIT study's bold and uncompromising advocacy has been an easy mark for critics, Dassbach turns to a much more demanding task: Kenney and Florida's copious study and qualified endorsement of lean production as a putative alternative to Fordist mass production. In dissecting their major claims for lean production's purported benefits, he provides evidence of its daily impact upon workers on the shop floor and documentation of its failure to give any meaningful attention to workers, organized labor, and their role in its transformation of industrial production. Rejecting Kenney and Florida's counter arguments, he joins Philip Garrahan and Paul Stewart (1992) in exposing how hegemonic control in so-called lean production facilities is produced and reproduced through a series of interlocking and precisely orchestrated strategies which suffuse the entire work organization of the typical Japanese automobile assembly plant. The result, Dassbach argues, is a neo-Fordist factory regime that closely approximates nonunionized Fordist practices by cleverly camouflaging them in subtle and advanced forms of human resource management. As a consequence, critics like Dassbach point to the need to design a labor relations model which preserves a critical function for unions in steering changes in labor-management relationships, in shop floor work reorganization, and in labor union identity and rank-and-file relationships.

The politico-strategic framework informing Dassbach's and other essays in this volume is the concept of ideological or cultural hegemony. Antonio Gramsci (1970), an Italian Marxist philosopher, formulated the concept of hegemony to help understand the dramatic changes in the shape and character of power in advanced capitalist societies since the early twentieth century. In a series of highly sophisticated theoretical works grounded in a rich understanding of economic and historical developments in his day, Gramsci defined hegemony as the rule by an alliance of class factions based on a subtle mixture of coercion and consent. Class power, he argued, was always backed by coercive instruments, but had increasingly become masked and fortified by methods of securing the consent of the underclasses to the ruling group's world view.

Carl Dassbach and Ernest Yanarella, in his chapter on the UAW and CAW under the shadow of post-Fordism, critically appropriate Gramsci's hegemonic analysis to explore the operation of lean production in Japanese transplants and joint ventures. Interpreting the elements of lean production as either the forms of hegemonic control or as a hegemonic system itself, these chapters

seek to demonstrate how post-Fordist practices are grounded in a subtle interweaving of mechanisms of coercion and consent which are designed to win over workers' allegiance to the reigning corporate world view and its supporting values and to harness, not merely the worker's body to the production process, but the worker's intellectual capacities and shop floor knowledge as well.

Other chapters, including those by Laurie Graham's and by James Rinehart, David Robertson, and Christopher Huxley explore the forms of worker resistance to the pace and intensity of lean production techniques and show how these hegemonic processes have either set the outer bounds of obstructionism in nonunionized plants or have been modified in the face of collective action, including a strike, at a unionized plant. As these and other chapters reveal, lean production as a hegemonic system shows great resiliency and commands grudging support from many workers, even as they oppose some of its more overtly exploitative features. As chapters by Steve Babson and James Rinehart et al. acknowledge, in the absence of new strategic vistas on work reorganization by organized labor in the United States and Canada, the legitimacy and integrity of lean production systems may actually become stronger with modification and reform.

In sum, hegemonic analysis overcomes the bipolar tendencies of most Fordist and post-Fordist theoretical formulations and opens up a political space for long-term strategic programs and short- to mid-range tactical actions that avoid approaching the politico-economic world with either antiquated Fordist assumptions or illusory post-Fordist dreams. Instead, it situates the quest for counter hegemonic tactics and strategies within the interstices of Fordism and post-Fordism and calls for collective forms of action by organized labor within the shifting balance of forces, changing relations of coercion and consent, and fluctuating space of blockage and maneuver in the conflict between capital and labor.

### **Social, Economic, and Legal Perspectives on Labor and Lean Production in the United States and Canada**

The United States and Canada have intrigued Louis Hartz (1964), Seymour Martin Lipset (1989, 1990), and other leading historians and sociologists because of the status of these countries as "liberal fragment societies" spun off from Great Britain. In spite of their shared heritage and the homogenizing influence of the American economy, salient differences in their constitutional frameworks, political institutions, party structures, and public policies have also been equally influential. Canada's lack of a revolutionary break with the British Empire, akin to the United States, has created a red Tory tradition where a more conservative state and political culture have created a governing elite more committed to social welfare and government transfer programs, provided a

more fertile political ground for social democratic movements and parties, and generated a legislative climate more predisposed to national and provincial labor law supporting strong and militant union representation of the working class (Horowitz, 1968). By contrast, the thoroughgoing liberal political culture and constitutional framework of the United States, shaped heavily by Locke, Montesquieu, and Hobbes, have produced a political system characterized by a powerful, yet often intolerant, liberal mainstream, a two-party structure gravitating toward the political center, a federal system where sovereign power is divided between a national government and often contentious states, and a political economy skewed toward corporate capitalism and against working class interests.

How did these two North American polities respond to the restructuring of the global political economy, the internationalization of automobile production, and the increasing penetration of their national economies by Japanese cars? In the early 1980s, the Reagan administration took action on the international trade front to pressure Japanese auto makers to reduce imports and to locate auto assembly plants in the United States. At the same time, the Reagan economic team adopted a series of macroeconomic programs designed to bring inflation under control through the severe tonic of recession. In combination, these two federal policies put the states in a position of seeking dramatic relief from 'Reaganomics' strong fiscal medicine by intense interstate competition to woo and win Japanese auto transplants.

The Canadian government, feeling similar pressures, also attempted to limit Japanese auto imports and encourage Japanese auto firms to build assembly plants in their country. The Canadian politics of industrial recruitment was also characterized by sub-national competition but the recruitment game had fewer players, principally Ontario and Quebec. On the other hand, provincial competition made up in intensity what it lacked in numbers, principally because of the deep cleavages and bitter jealousies between Anglo-Canadian Ontario and French-Canadian Quebec. This said, the stronger state tradition flowing from its non-revolutionary Tory past, led the Canadian competition for Asian auto transplants to follow a more technocratic or top-down model, than the American case, with federal leaders and administrative officials in various ministries playing a strong hand.

The entrance of the Japanese auto transplants and joint ventures into the North American auto marketplace had two manifest impacts on the dominant political economy of the United States and the largely branch-plant economy of Canada. In the first place, it exacerbated the problem of overcapacity in the continental economy and threatened the economic security of both the Big Three automakers and the UAW and CAW, the two national unions representing American and Canadian auto workers. Secondly, the introduction of new management strategies based on lean production techniques, first refined by the



Toyota corporation, provided a direct challenge to older Fordist assembly plant operations and their traditional labor-management relations. In this crowded marketplace, the market share of the Big Three declined because their older American and Canadian plants were threatened with closure from the newer, more efficient Japanese transplants which were able to produce automobiles with high consumer demand.

This North American experience at these lean production auto assembly plants has led a few scholars to doubt that JPM has had a deep impact on UAW and CAW organizing, collective bargaining, and shop floor representation. In his chapter about the transformation of the NLRA paradigm, however, William Green shows in stark detail how lean production operations at these plants have attacked the legal foundations of Fordist plant operations and traditional labor-management relations on the shop floor. These so-called post-Fordist auto plants, in his view, have provoked a crisis for the National Labor Relations Act (NLRA) paradigm, the foundation of Fordist labor law in the United States and Canada. In fact, this legal framework for union organizing, contract negotiations, and workplace representation has been undercut along two dimensions. The NLRA paradigm's public law side has been effectively eroded by the success of Japanese auto transplants in relying upon narrowly construed labor statutes to engage in union avoidance strategies. On the paradigm's private law side, the traditional collective bargaining protections have been diluted by contracts at the Japanese-American joint ventures and the Saturn plant to fashion cooperative labor accords modeled after JPM. In response to this assault on their legal rights, the UAW and CAW have faced a common challenge at the nonunion Japanese transplants, but they have taken divergent paths at the unionized Big Three-Japanese joint ventures.

### **Lean Production and the Divergent National Paths of Organized Labor at the Unionized Big Three-Japanese Joint Ventures and Saturn**

The divergent national paths of the UAW and CAW can be traced to the early 1970s. At that time, UAW national leaders looked to evolving strategies of work participation modeled on the Swedish example as one way to develop an independent union vision of workplace reorganization. As Ernest J. Yanarella shows in his chapter on the UAW and CAW under the shadow of post-Fordism, leading UAW officials like Don Ephlin and Irving Bluestone used their strategic positions in the union and on its international board to promote quality of life, jointness, and other worker involvement proposals. In contrast, the UAW's Canadian wing, owing in part to its stronger tradition of union militance, resisted the lure of worker cooperation programs and, rejecting UAW acceptance of corporate calls for concessions and give-backs, broke away from the international UAW in 1985 and formed the Canadian Auto Workers (CAW) union. Since

then, the UAW's response to lean production has, in decided contrast to that of the CAW, abetted the weakening of the NLRA paradigm.

In Canada, native cultural, political, and legal assets have facilitated the CAW worker mobilizing and organizing strategies and permitted the national union to make a tactical compromise with General Motors and Suzuki by negotiating a pre-hire lean production contract at the CAMI plant while continuing to honor its syndicalist heritage of shop floor adversarialism. As the CAW Research Team on CAMI makes abundantly clear in the chapter entitled "CAW, Worker Commitment, and Labor-Management Relations Under Lean Production at CAMI," the commitment of the CAMI's unionized workforce to the company's lean production philosophy has ebbed considerably since 1988 when the CAW negotiated the CAMI labor agreement. The lofty ideals extolled in the CAMI training manual have run aground on the harsh truths of a lean production workplace. In fact, flagging worker commitment and growing corporate work intensification efforts, the CAMI Research team concludes, provided the impetus for the Local 88's strike call in 1992 and its ultimate success in negotiating a contract which allows the local an expanded role in shaping the terms of joint programs on the shop floor.

In the United States, the comparatively weaker political and legal environment has largely transformed the UAW into a union with a national organization and decentralized locals pulling in sometimes convergent, sometimes contradictory directions. In this setting, union locals at Big Three Fordist plants continue to pursue adversarial labor relations, but lean production locals are divided. The Japanese-Big Three joint ventures have become deeply divided over labor relations strategies and tactics while Local 1853 has become deeply committed to the Saturn Way. One reason for this intra-union pluralism has been the UAW national's willingness to negotiate, as exceptions to its Big Three national agreements, pre-hire lean production agreements with the Japanese-Big Three joint ventures and GM's Saturn division which permit the national union to advance its labor-management cooperation agenda by appointing a local's leadership committed to the practice of lean production principles.

At AutoAlliance (formerly Mazda), the UAW's national appointed a local leadership committed to Mazda's participative management philosophy, but once the cooperative environment promised during the recruitment process and in training center classroom met the realities of fast-paced full production, labor relations became increasingly combative and local union politics more contentious. In this setting, Local 3000 members replaced the national UAW-appointed pro-Mazda local leadership in 1989 with the leaders of militant caucus linked to the UAW's New Directions movement. In preparation for the negotiation of a new agreement the following year, the new local union leadership conducted a membership survey. The results, as Steve Babson recounts in



his chapter, disclosed that the AutoAlliance workers decisively rejected the lean production truths of participatory decision-making, consensus norms, and team dynamics. Any doubt that the workers took these issues seriously was dispelled in February 1991 when Local 3000 members supported a strike authorization vote and then engaged in eleventh-hour bargaining which produced a new agreement containing significant modifications of the lean production model akin to those the CAW won in the CAMI strike.

The UAW national leadership also hand-picked the local leaders at Saturn, but, until recently, Local 1853's leadership has not encountered any meaningful opposition from its membership. Not because labor-management cooperation has provided for a more formally democratic decision-making process within the company's strategic councils, but, as Ernest Yanarella argues in his chapter on worker training at Toyota and Saturn, the union local's leadership has simultaneously become isolated and buffered from the rank and file, its administration more authoritarian, its policies almost indistinguishable from the corporation's, and its almost evangelical commitment to generating loyalty and enthusiasm for the Saturn Way more well-focused and determined. In spite of this united corporate and union elite level strategy, the 1992 local union election witnessed the appearance of opposition candidates who challenged the incumbent leadership on the issue of union democracy even though they did not differ from the incumbents in their commitment to Saturn's lean production system. After an intensely fought election campaign, the incumbent leadership was returned to power by a narrow margin. Still, as Ernest Yanarella observes, Saturn's success in the marketplace may require GM to recruit UAW members from its other Fordist plants who, if less committed to the Saturn Way, may weaken the hegemonic strategy jointly forged by corporate and union local leaders.

Yet there is considerable room for doubt. At Big Three-Japanese joint ventures and Saturn, a multistaged recruitment process has been carefully designed to screen in future employees whose native skills, attitudes, and temperament predispose them toward corporate lean production values. The UAW's involvement in screening and recruitment processes at NUMMI, AutoAlliance, and Saturn has moderated and blunted the impact of these processes as hegemonic agencies, but the strength and impact of other components of lean production's hegemonic system, particularly orientation and initial training, have partly compensated for labor's involvement by reinforcing hegemonic values, practices, and behavior on the shop floor.

Orientation and initial training is jointly-directed, but it has remained largely a management-led operation whose fundamental purpose is less to hone new skills for the so-called multiskilled worker than to inculcate the dominant values of the corporate culture. Copyright © 1994 by the author. Assembly workers in willingly giving over their tacit knowledge and self-generated shop floor skills to manage-

ment for its use in tightening and speeding up production. Drawing upon Garrahan and Stewart (1992), Carl Dassbach reveals how the application of teamwork principles on the assembly line institutes a new form of worker surveillance and control which relieves management of this direct responsibility by imposing supervisory functions on the worker. At Saturn, where GM and the UAW have devised a virtually pure post-Fordist model, the deployment of a sophisticated worker training and retraining program integrated into the auto production process has, as Ernest Yanarella observes, appropriated the workers' shop floor knowledge and tacit skills, enmeshed the work force in plant management decision making, blurred the distinction between labor and management interests, and, thereby, fragmented the potential for worker solidarity and collective voice.

In sum, a local union, like CAMI Local 88, provides the opportunity to mobilize workers behind an independent vision of work reorganization that restores the balance between management prerogative and union power. The UAW locals at NUMMI and AutoAlliance also demonstrate how a local union may provide the opportunity for rank and file insurgency and the achievement of a democratic renewal of union structure and governance. Still, Saturn provides a cautionary tale about the impediments to union regeneration and renewed strength in lean production plants. Here union pressure on management will originate in the gulf between professed corporate ideals and hard realities of the lean production shop floor, but local union efforts to push management to fulfill its promise of a democratic workplace will be set by the language of the lean production and may, over the long run, also heighten employee loyalty to lean production objectives. In this setting, only refortified union power and solidarity and an autonomous vision of workplace reorganization can overcome the formidable advantages enjoyed by lean production management. This is the chastening lesson of the UAW and CAW successes at AutoAlliance and CAMI.

### **Lean Production at the Nonunionized Japanese Transplants and the Common Challenges of United States and Canadian Organized Labor**

The UAW and CAW represent workers at the Big Three auto plants and at Big Three-Japanese joint ventures, but not at the six transplants in the United States and Canada operated by Honda, Toyota, Nissan, and Subaru-Isuzu. The failure of the UAW and CAW to organize the Japanese transplants can be traced to American labor unions' dramatic membership decline since the 1950s and their plummeting impact on national politics. UAW representation of automobile workers, 90 percent or more during the glory years, has been substantially higher than union representation of the nonagricultural work force, but the influx of nonunionized Japanese transplants helped to reduce

UAW membership from 86 percent in 1979 to 68 percent in 1991 (Slaughter, 1992) and to produce a similar, but less dramatic decline in the Canadian auto union membership.

Traditional UAW organizing advantages have been further weakened by the decision of Japanese firms to locate in greenfield sites far from the UAW and CAW's urban power bases, by state and provincial government recruitment monies used by Toyota, Honda, Nissan, and SIA to select employees with minimal industrial and union work experiences, and, as William Green shows in his chapter, by the ability of the United States and Canadian transplants to use a NLRA paradigm diluted in favor of corporate union avoidance strategies to defeat UAW and CAW organizing campaigns.

The UAW's and CAW's failure to organize the Japanese transplants may also be explained by the daunting forms of hegemonic control integral to lean production's chief elements and exercised by transplant firms over their workforces and in their neighboring communities. In her chapter, Laurie Graham focuses on the manifestations of worker resistance at the Subaru-Isuzu Lafayette, Indiana plant and in the process also highlights many of the components of the hegemonic processes which SIA and other transplants build into the operation and management of their plants in order to win the hearts and minds of their nonunion work forces. SIA begins with a multistage employee recruitment process that weeds out union sympathizers, uses the initial orientation and training programs to socialize new workers into the plant's guiding philosophy and corporate world view, and then organizes the shop floor lives of their nonunion worker into a web of assumptions, commitments, and outlooks that extends beyond the plant to the worker's family life and community relations.

Toyota Motor Manufacturing's (TMM) Georgetown plant, explored by Ernest Yanarella in the chapter entitled "Worker Training at Toyota and Saturn: Hegemony Begins in the Training Center Classroom," is the classic example of the power of the hegemonic system incorporated into lean production. At TMM's nonunion greenfield plant, the worker recruitment process garnered over 100,000 applications for an initial recruitment and screening process to choose 3,100 employees. This recruitment experience, common to all the nonunionized transplants, has meant that management could mobilize an enormous pool of applicants, take them through a multistage testing and interviewing process, and select corporate-tailored employees who reflect the widest mix of male-female ratios, minority percentages, and background attitudinal and skill profiles.

Once Toyota and other Japanese transplants have selected their corporate-tailored employees, their training assumes a crucial importance. TMM and other transplants used significant federal, state, and provincial incentive package monies to construct training facilities and to design and implement worker training programs. Once in operation, these training programs, epitomized by

TMM's at Georgetown, emphasize soft or interpersonal skills over hard or technical skills, cultural or attitudinal training over skills training, and multitask training over genuine or in-depth skilled trades training. As both Laurie Graham and Ernest Yanarella suggest, the lean production ideal of the multi-skilled worker is largely a myth at the transplants where their lean production practices reconfirm the passing of the skilled trades person and the ascendancy of the multitasked worker.

Once these carefully selected and trained employees begin to work on the shop floor, the absence of a legally authorized agency to promote their collective voice and represent them through collective bargaining and grievance arbitration has meant at least two things, as Laurie Graham observed at SIA. First, worker resistance to the negative, exploitative features of lean production, has produced minor, often temporary ad hoc managerial accommodations, but it has not been able to institutionalize permanent changes. Secondly, the individualizing and fragmenting consequences of lean production's hegemonic processes upon workers have been able to continue with impunity unobstructed by union mediation. As a result, a differential wage scale, corporate awards, and other employee recognition programs which elevate individual achievement have further splintered the work force and contributed to the corporate goal of using the production process to galvanize a sense of team identity and corporate loyalty as the only alternative forms of identification beyond the individual.

### **Lean Production, Organized Labor's Future, and the Prospects for Labor Law Reform**

Clearly, the incredible success of the Japanese transplants and Big Three-Japanese joint ventures in institutionalizing lean production, in defining the terms of academic and labor debate, and in establishing an innovative management model for other industries demonstrates the extent to which the crisis of Fordism is at once a crisis of Fordism as a regime of accumulation, a mode of production and consumption, a mode of regulation, and an ideological or legitimation system. As such, this multiple crisis presents labor union forces with the need to rethink their identity as agencies of interest representation and as progressive forces for political change, as well as their political strategies for reshaping post-Fordist management and production techniques in a democratic direction.

The UAW's strategic ambivalence toward the transplants and joint ventures is partly a reflection of its organizational structure and the outlook of its national leaders who have produced work reorganization policies marked by local pluralism. At the same time, the UAW national has encountered enormous problems and witnessed a substantial diminution of its influence, power, and maneuver due to the Japanese penetration of the North American auto market, the global and continental restructuring of auto production, the declining eco-

conomic fortunes of the Big Three, the managerial assault on traditional union rights, and the greater success of American auto makers in defining a corporated vision of workplace restructuring. Still, the lack of the necessary internal ingredients for a more effective response to the transplant challenge constitutes the major impediment hobbling the UAW, but apparently not the CAW.

The UAW has gained entree at NUMMI, AutoAlliance, and Diamond-Star by virtue of the participation of the Big Three auto firms in these joint ventures, but the national UAW's lean production agreements at these plants have not created a cooperative work environment. They have led to combative labor-management relations and contentious local union politics defined by pro-company and militant opposition caucuses whose interactions have produced modified lean production agreements. But the UAW's strategic program for gaining union certification at the Honda, Nissan, SIA, and Toyota transplants, as Ernest Yanarella observes in his chapter "The UAW and CAW Under the Shadow of Post-Fordism," has been characterized as "weak, wavering, and without consistency" and has failed at Nissan, in spite of an intense unionization drive partly because of the transplant's superior in-plant resources, its greenfield workforce, and its legally-sanctioned union avoidance strategy.

The Canadian experience, on the other hand, demonstrates that a national union which adopts a proactive stance toward the transplants, one more consistent with maintaining its collective identity and more intent in marshaling its political power and its rank and file resources, may be able to go farther in reshaping lean production labor-management relations, as the CAW Local 88 has at CAMI, and may be able to mobilize worker grievances and dissatisfaction to the point of transplant unionization as the CAW had apparently done at Hyundai. Together these two CAW experiences suggest that mobilizable issues abound in the transplants and joint ventures and can serve as a basis not only for advancing labor's interests at unionized plants in creating the democratic work place promised by JPM, but also for building the foundations for union certification at nonunion plants.

There is, in other words, room for maneuver at both union and nonunion lean production plants, but a word of caution must be voiced. At one Canadian and four United States auto assembly plants where the UAW and CAW represent production employees, the collective agreements negotiated by the unions remain deeply enmeshed in the managerial framework and language of lean production and their meaning is found in lean production practices in the training center classroom, on the shop floor, and in management-labor councils. After several years of experience, however, renegotiated agreements at NUMMI, AutoAlliance, and CAMI appear to be pulling these post-Fordist labor accords back toward more traditional procedures and rights. On the other hand, it appears likely that collective bargaining will never return to an earlier Fordist era of arms-length, adversarial labor-management relations. Post-

Fordism has progressed too far and the prevailing hegemony of lean production has too deeply permeated economic organization and political regulation to be easily excised.

In the face of the corporate advantages generated by global restructuring, lean production techniques, and internationalized auto production, the task of organizing the nonunionized transplants remains daunting. Despite the CAW's apparent success in unionizing the Quebec Hyundai plant, arguably the weakest and most vulnerable of the North American transplants, the Japanese transplants will prove to be more difficult targets. Toyota, Honda, and Nissan have a long legacy of opposition to American-style unions, and each has developed powerful methods to obstruct union certification. Aware of how thoroughly their lean production processes are permeated by hegemonic control mechanisms, the transplants have recruited pliable workers, used orientation and training to further their attitudinal adjustment and cultural integration, and involved them in teamwork and *kaizen* processes to advance line speed-up, to appropriate their knowledge, and to advance their corporate loyalties by remolding their identities on the basis of individualistic values of wage differentiation and internal mobility.

The UAW's declining political capital and the CAW's growing alienation from even the Ontario New Democratic Party, combined with their common participation in a North American marketplace dominated by the Big Three auto makers under siege from Japanese competitors, suggest a pressing need for internal debate and sobering reflection on new beginnings. To this end, a counterhegemonic strategy counsels the UAW and CAW to undertake a militant program that works through these new production relations to create a union identity and role in the interstices between Fordism and post-Fordism. Both unions need to critically examine alternative labor-management models, including Germany's IG Metall auto union, in carving out an autonomous, labor-driven vision of work reorganization while remaining cognizant that neither the United States nor Canada is Germany.

Organized labor's future alternatives, will, after all, lie not in the dualist poles of Fordism and post-Fordism, but in the many permutations and combinations that will be forged out of the political struggle to create a better and more democratic future in the world of work and in the wider political community. Organized labor has historically been a major progressive force in the national politics of liberal democracies in the United States and Canada, tempering the excesses of their capitalist political economies. At a time when the globe seems to be in the process of being turned upside down, the hope and promise of labor is that it will find the means to put its house in order, to fortify its political and economic power by reaching out to other progressive groups and movements, and to employ their resources to realize the dreams of productive work, a decent standard of living, and a just commonwealth for all.



### Note

1. There is some misunderstanding about which auto assembly plants are transplants and which ones are joint ventures, a situation perhaps made more difficult by the fact that one transplant became a joint venture and one joint venture became a transplant. To minimize confusion, here is a current status of the transplant and joint venture auto assembly plants.

The Honda plants in Marysville, Ohio and Alliston, Ontario, the Toyota plants in Georgetown, Kentucky and Cambridge, Ontario, the Nissan plant in Smyrna, Tennessee, and the Diamond-Star (Mitsubishi) plant in Bloomington-Normal, Illinois are sole venture Japanese transplants. The Hyundai plant in Bromont, Quebec was the only South Korean transplant in North America. The Subaru-Isuzu plant in Lafayette, Indiana is a joint venture Japanese transplant. All of the transplants are nonunion, except Diamond-Star, which began as a Chrysler-Mitsubishi joint venture, but became a wholly-owned Mitsubishi plant in October 1991.

The NUMMI, AutoAlliance, and CAMI are the three joint venture plants. The NUMMI plant in Fremont, California, is a General Motors-Toyota joint venture; the AutoAlliance plant in Flat Rock, Michigan, is a Ford-Mazda joint venture; and the CAMI plant in Ingersoll, Ontario is a General Motors-Suzuki joint venture. Workers at all of the joint ventures are represented by the UAW or CAW including AutoAlliance which began as a union Mazda transplant. Mazda became AutoAlliance in June 1992.