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## *The Importance of Unions in Contemporary Times\**

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### **ABSTRACT**

This article examines the importance of unions in contemporary times. Our research focuses on United Auto Workers Local 72, a union representing workers at a factory in Kenosha, Wisconsin, during several plant closings. Using qualitative data collected over a span of more than 20 years, we examine the role of the local union in helping the workers respond to the plant closing in ways that would produce the most beneficial results for them. We trace stories of the workers' and union's resistance, cooperation, and pride in their work. The workers' continued commitment to quality and their strong work ethic seemed to be key factors in persuading the company to keep some work on the site and, later, to add more. These tactics were successful through several changes in ownership and economic cycles until the Great Recession of 2008, at which point the work destined for the plant in Kenosha was finally sent to Mexico, yet most of the workers affected by the original plant closing in 1988 were eventually able to come back to work and to retire with full pensions from the company. Our evidence suggests the roles that unions may continue to play in this age of globalization.

**KEY WORDS** Factory Closing; Autoworkers; Job Loss; Unions;  
Management Relations

Shifts in a global economy conforming to hypercapitalism have put pressure on unions and their members to rethink their role in relating to the companies they work for. This paper frames the struggle of a group of autoworkers and their union (United Auto Workers Local 72) during two Chrysler plant closings in Kenosha, Wisconsin, located on

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the shores of Lake Michigan just 65 miles north of Chicago. We focus on the workers' fight to keep their factory open and then trace their journey after the initial job loss. Over ensuing decades, Local 72 union officials worked continuously to maintain jobs at the site and to attract new jobs by working cooperatively with the company to improve the bottom line.

The Chrysler plant in Kenosha was once part of the ailing American Motors Corporation (AMC), which in the early 1980s was nearly bankrupt. When the French automaker Renault decided to join forces with AMC, Renault was viewed as a lifeline to help the company until it could get back on its feet. Renault bought controlling interests of AMC shortly thereafter, but those years were demoralizing for the workers. According to union representatives, the French company did not think very highly of American unions, and their cars were disastrous for AMC in terms of reliability, which damaged their reputation with buyers. After sales of Renault cars faltered, the French wanted to close the Kenosha plant, but fortunately for the workers, Chrysler came into the picture and contracted with Renault to build cars for them in the mid-1980s. By 1987 Chrysler had bought controlling interest in AMC and, in the weeks that followed, received millions of dollars from the state of Wisconsin in exchange for promising that they would keep auto production in Kenosha for at least five years. Near the end of 1987, however, the bottom dropped out of the auto market and Chrysler suddenly had too much production capacity; in a hotly contested move, it announced it was closing the Kenosha assembly and stamping plants in 1988 while maintaining production in a small engine plant there for a time. After a flurry of attempts to dissuade the company from closing any plants in Kenosha, the leadership of Local 72 began various attempts to influence the company as well as state and local officials to keep auto production going in Kenosha at any level.

## **LITERATURE REVIEW**

Throughout industrial history, an ongoing struggle has existed between management and workers. In the beginning of auto manufacturing, the common laborer was considered to be underproductive, even lazy, needing oversight to maintain the needed level of productivity. Managers believed their workers "deliberately work[ed] slowly as to avoid doing a full day's work," which was called "soldering," or "underworking" (Taylor 1911:3). Factory workers often sought to diminish management's control over them and their amount of physical exertion on the job; Goffman (1959) used the terms "make work" and "work control" in describing this type of worker-manager relationship. The shop floor was permeated with a culture of conflict, as both managers and workers viewed the other with distrust, each considering the other to be an adversary. Hughes (1958) suggested that managers were influenced by their higher position in the division of labor prompting them to treat workers as subservient objects, while workers considered managers to be mere watchdogs overseeing their property (Halle 1984).

In the history of auto production, this conflict is apparent. Auto titans went to great lengths to keep unions out of their factories in attempts to keep unconditional control of the shop floor. For example, Henry Ford hired underworld figures to threaten

workers and disrupt organizing efforts (Lacey 1986; Lasky 1981), and Alfred P. Sloan hired secret police and Pinkerton detectives to do the same at General Motors (Mann 1987). The use of spies and strikebreakers to control workers has been the norm in auto plants since the 1930s (Curcio 2000; Lasky 1981; Mann 1987). At some point, autoworkers were not even allowed to speak to one another while at work (Lacey 1986; Lasky 1981), and many were subjected to intimidation, harassment, and even murder.

This adversarial relationship persisted even after unions were established. Lee Iacocca once described the interaction with workers as “the usual adversarial relationship between workers and management” (Iacocca 1984:175), and some believed that promoting conflict and distrust on the shop floor was healthy (Walton 1997). Autoworkers themselves said, “There was always that struggle between management and union; we were enemies” (Milkman 1997:2), and many workers complained that they were belittled and denigrated. “Managing by conflict” was actually part of the curriculum in business schools throughout the 1950s and 1960s, based largely on the culture of conflict in the auto industry (Walton 1997).

## **METHODS**

We began studying the closings in Kenosha in 1988, when the first closing occurred. At that point, we began three longitudinal annual telephone interviews with a representative sample of the workers affected by the shutdown. The baseline interview was conducted as the plant was closing on December 23, 1988, and two follow-up interviews were done one and two years later, in the spring of 1990 and 1991, respectively. At the conclusion of our longitudinal surveys, we conducted in-depth interviews during the 1992–1993 academic year with nearly 40 individuals involved in some way with the shutdown. This sample included workers, managers, union and local governmental officials, and community leaders. These interviews explored respondents’ connections to both Chrysler and American Motors, their experiences with and perceptions of the shutdown, and their views of the aftermath. Throughout the interviews, constructions of reality were probed, as were various influence attempts, such as a threatened lawsuit against the company by various governmental units, bargaining for the termination package, and attempts to persuade the company to reverse its decision. A great deal was said about meaning-making, networking, and social perceptions. These data helped us a great deal in both framing the story and interpreting results from the quantitative longitudinal study.

We stayed in touch with union officials in the more than twenty years since the initial plant closing in 1988 and began interviewing them again in 2006. We conducted eight additional interviews between 2006 and 2010, when the second shutdown of the engine plant occurred. We conducted several more interviews in 2016, at which point we discovered that the workers had maintained a social club at the union hall in Kenosha, with several hundred meeting once a month for a social activity. We conducted approximately 25 more interviews and focus groups during that year with the former workers involved with these activities. These interviews and focus groups have been fully transcribed and analyzed using the constant comparison method, developed by Glaser and Strauss (1967). In addition to these data, we have also collected existing community

records, particularly those showing economic and employment trends before and after the plant shutdown, and a sizable file of newspaper clippings. We use these qualitative data for the analysis presented in this article. The more than 25 years of these data give a comprehensive picture of the trajectory of impact beyond what most studies can offer.

## RESULTS

### *The Culture of Conflict in Kenosha Auto Production*

The president of Local 72 at the time of the plant shutdown in 1988 had been working at American Motors for 38 years. In his dealings with management and his fight to save jobs in Kenosha, his philosophy was to give respect to management if they were respectful to workers. For two years, he was even a member of management as a foreman for the trim department in the early 1970s. He described the department superintendent (his immediate superior at the time) as “an idiot.”

He stated “that was the war mentality” on the shop floor back then. A visceral condition facilitated by anger or hostility can produce reflexive and often sudden reactions (Mead 1934). He said that the stewards in the union, knowing that so many of these managers had that kind of disdain for workers, were just looking for ways to get back at them:

Yeah, it was a war. If everything was going smooth, there were people in management and people in the union who would get together and figure a way to start a fight. If you disrespect the people you're working with so badly that you think they're the effin' enemy and every day you're trying to fire your foremen up to go out and demean them and attack them, that's the kind of culture that American Motors had. It was just self-destructive. You couldn't get anything done that way. The Chrysler culture was much better.

A former manager indicated that he didn't miss working at American Motors at all, saying, “No ... never one day I wished I was back as supervisor.” He said AMC had some “bad” bosses and superintendents working for them who often acted like “marine drill sergeants.” He concluded by saying, “I worked for some real nasty people on that shop floor.”

Another union official at Local 72 said before the Japanese gained market share in the American car market, nobody at AMC cared what the workers on the shop floor thought. They never asked workers for help or for their opinions because management wasn't under any pressure to manage any differently.

Our interviewees reported that it wasn't the company but the union that first made overtures to promote an “employee involvement” program at the AMC factory in Kenosha when the company was in financial difficulty and on the verge of collapse in the 1970s. Sales were down and there were rumors of plant closings. This resulted in a totally

different approach in the way Local 72 interacted with management. It was a paradigm shift, from an adversarial relationship to one that coalesces behind management to improve the company. Union officials believed they needed to get involved in the process of quality for self-preservation. They felt they had nothing to lose by working with the company because the alternative was a plant closing and loss of jobs.

The “partnership in progress” program at AMC did not go smoothly, as management had a hard time partnering with workers whom they considered the enemy. At this particular time, AMC was supported by sales at Jeep, so they saw no need to change their management style. The former president of the local pointed out that the partnership was disappointing because management “didn’t want to give up any of their prerogatives” and wanted the program in name only, and it failed.

### *Working with Different Companies*

By 1980, AMC was losing millions; it didn’t have money for product development, and its cars were considered stuffy and outdated (Foster 1993). As a result, AMC began to lose market share, and by 1982, more than 4,000 Local 72 workers had been laid off from the Kenosha plant because of a drop in auto sales (Gunn 2010). In the face of the impending plant closing, Renault stepped into the picture. The company was looking to get into the American car market and bought 46 percent of AMC (Foster 1993).

By 1985, it was the worst of times for Local 72. The company was now controlled by Renault, and the French proved to be very aggressive toward the union and the workers (Gunn 2010). According to the former president of the local, when Renault took control of AMC, it was like jumping from one sinking ship to another. Still, the union tried to initiate the “partnership in progress” program with the new managers, but this proved to be even more difficult than with AMC.

When it was first produced in 1983, the Renault Alliance assembled in Kenosha was listed as *Motor Trend’s* Car of the Year and was on the list of *Car and Driver’s* ten best cars, mainly because of the quality of fit and finish attributed to the Kenosha workers who assembled the cars. Engineering issues with the car plagued the company because of the cost of warranty repairs, however. Additionally, “Renault was like a national treasure in France,” and the French didn’t want them in the United States. The French-designed Alliance was shipped from France to AMC in Kenosha as a kit for assembly, which was problematic because the cost of the kit and shipping was more than AMC could recoup when the car was sold. The Americans lost money on every car they sold; the more cars they sold, the more money they lost. These same problems plagued Alliances and Encores, and damaged AMC’s reputation with consumers. As the former president put it, “the cars were junk.”

But AMC’s relationship with Renault “kept the [Kenosha] plant open ... [and] kept things going. ... It gave us a chance to demonstrate what we could do in terms of quality of production. So when Chrysler needed a place to assemble autos, they said, ‘Let’s try there,’” in Kenosha.

Chrysler came into the picture at just the right time; when it contracted with AMC to build cars, Chrysler likely saved the Kenosha plant from closing. By the middle of

1986, AMC began making the Chrysler Fifth Avenues, Dodge Diplomats, and Plymouth Gran Fury for Chrysler (Gunn 2010), and the company was apparently impressed by the quality that the Kenosha workforce was producing at the urging of its union. A former manager recalled that because the factory in Kenosha was old, when Chrysler officials saw the plant, “They didn’t see how we could build a car there.”

In March 1987, Chrysler announced its plans to purchase AMC, and a short time later, the AMC and Renault lines were renamed the Eagle division of Chrysler. The Kenosha facility began producing Chrysler’s Dodge Omnis and Plymouth Horizons as well as engines for Jeep. Soon, the company moved its L-body (for the Omni-Horizon) cars there as well. A Local 72 union official said,

We had had a very good experience with the Chrysler managers that were in here supervising that endeavor [building the M-body cars] and they were very pleased with Kenosha. ... In May of ‘87 we were called to Detroit for a meeting with [Chrysler management and representatives of the UAW International Union] ... and all the locals of the AMC facilities, and [Chrysler] said that they were very pleased with their experience in Kenosha and although Kenosha was not gonna receive the new Jeep, they were gonna get the L-body and between the L-body and the M-body [cars,] Chrysler planned three to five years of high-level production in Kenosha. The L-body was sourced here from Belvedere; we recalled all our members who we laid off. We began hiring new people, and everyone was very encouraged that the plant had a chance to survive. The company represented to us at all times that they were doing this because they were pleased with the labor relations, the quality of workmanship, the work ethic of the workforce, and they did not desire any changes in the [contract] agreement to continue here in Kenosha.

Chrysler was also much more receptive to the “employee involvement” programs initiated by Local 72 and aimed at improving quality. Lee Iacocca already had a history of working with UAW teams on quality issues (see Iacocca 1984), so partnership programs were implemented and quality levels improved to a point that the Kenosha factory was producing higher-quality cars than were most of the other plants in the Chrysler system.

A union official said that when “they first put Omnis and Horizons and M-body [cars] in [Kenosha],” the fit and finish were of the “highest quality.” Workers told us that Chrysler rated cars according to several factors based on fit and finish and warranty issues. In fact, it was Chrysler officials themselves who checked and inspected the cars coming off the line. They would post the weekly results, and week after week, results showed that the AMC Kenosha facility was producing Chryslers, Dodges, and Plymouths

of better quality and at a cheaper cost than all the other Chrysler factories were. He added, "So we built a much better car than they had ever built in any of their plants, [and] we broke all kinds of records building quality in their cars."

Another union official said the differences in management ideologies between AMC and Renault, compared to Chrysler, was like night and day. For example, if there was a problem in production and meeting the quota, AMC management had acted as an adversary and blamed the employee, focusing on the employee's performance and disciplining the employee. In contrast, when Chrysler management was confronted with a similar production problem, it focused on the job itself, trying to figure out why the job was keeping the employee from making his or her quota.

### *The First Plant Shutdown*

The future had finally started to look bright to Kenosha autoworkers when, on October 10, 1987, now known as Black Monday, the stock market crashed and dropped 1,000 points; car sales plummeted. Chrysler soon realized it had too many factories and not enough car sales. On January 27, 1988, Chrysler announced that it was ending production in Kenosha and closing the plant; about 5,500 workers in Kenosha would lose their jobs. The cars that were being built in Kenosha would be moved to other factories: the popular L-body compacts to the Jefferson Avenue Plant in Detroit, and the big M-body cars to Mexico. A Chrysler representative said, "We had to close the Kenosha assembly and stamping operations to keep competitive" (Ross 1988). Chrysler's decision to close the auto plant in Kenosha was met with a firestorm; Local 72, in particular, did not take the plant-closing announcement lightly. The union fought with whatever means it could. It enlisted the help of state and local officials to pressure Lee Iacocca, then CEO of Chrysler, to change his mind. They threatened legal action against Chrysler for renegeing on its pledge to keep the Kenosha facility operating for five years. They even rented a billboard on the interstate highway that Iacocca took to his office, vilifying him for closing the Kenosha plant and throwing autoworkers on the street. Most of our respondents were shocked when the announcement of the plant closing came; one person said, "I didn't anticipate anything like this plant closing coming." According to the former president of the local, the governor of Wisconsin felt betrayed by Chrysler. Local 72 urged state officials to file a lawsuit against Chrysler, but Wisconsin officials came to the conclusion that it would not be economically feasible or politically expedient to sue the company (Gunn 2010).

### *Local 72 Fights to Save Jobs in Kenosha: Improving Quality*

Local 72 took a positive route to prevent the plant from closing, urging its members to continue working with management to increase productivity by improving quality and reducing absenteeism, demonstrating the values of the Kenosha workforce. The union was following a trend in labor leadership of building more cooperative, rather than strictly adversarial, relationships with the company, even after the company announced that auto production would cease the following year. Local 72 tried in vain to change the



decision, presenting to the company various plans that would keep all or some of the manufacturing plants open.

Once it was clear that the shutdown would happen, and once the workers were over the shock of the announced plant closing, union officials convinced workers to approach the closing with the same work ethic they had demonstrated before. They continued to work on the “partnership in progress” programs and quality teams so they could continue to improve quality, hoping to demonstrate that they were a workforce worth keeping. As one union official put it, “If management wasn’t going to save union jobs, it would have to be the workers themselves.” Another told workers not to concentrate on a boss who was “looking at you funny,” and to instead “concentrate on doing your job.” The workers may have doubted this approach at first, but they later said, “In the long run, you were right.” It was a long process of convincing the workers that it was in their best interest to work on quality because it would help the union to convince the company to not leave and to perhaps return some work to Kenosha. As the former local president said, “It’s the membership that did it. I always said ... every president in the UAW, it’s almost obligatory. They say, ‘I’ve got the best membership in the world.’ My membership proved they were the best.”

Our initial survey data had indicated that many of the workers clung to the hope that the company management would change its mind and bring more work to Kenosha after all. We thought the workers were in denial and were not facing the reality of what was happening. The union told its membership that they were not doing it for the company but for themselves, to keep their jobs, to take care of retirees and to get laid-off workers back to work. If the demand for the product increased because of quality or the company noted that the Kenosha workforce was dedicated, if it saved jobs, it would be an avenue to success. The union took the position that increased productivity by working smarter would keep jobs. The former president said, “I went to the company and said, ‘Let’s try to improve these processes here.’” Management accepted the union’s overtures and worked well with the union once they saw the effort that others in the plant were putting in to build good cars. Another union official said that everybody in the plant “wanted to go out on a high note” and build the best cars they could, even though they were about to become unemployed:

Even though everybody knew it, everybody did the best job they could. Nobody slacked off or tried to sabotage anything. ... People wanted to show that ... we built a good car. ... It was amazing because there was a lot of hard feelings. ... They did the right thing. ... It’s like a family. ... Everybody stuck together. ... They did their job, they didn’t slip off or say, “Screw this place; they are screwing us up by closing this place.” Everybody did their job and built a car to the best quality they could.

Many observers were astonished by the announcement of the award-winning quality produced by the Kenosha workers. The workers in Kenosha were making the

highest-quality cars of all the Chrysler factories and were producing cars more cheaply than the other plants because they had fewer quality issues with the cars and low absenteeism. They criticized Iacocca, saying all he wanted was the Jeep.

One worker thought that with the kind of quality coming off the line, “they’re not going to close” the plant. Even though the facility was old, it shouldn’t matter because they were producing top-quality cars for Chrysler. A supervisor confessed that Kenosha workers were at a disadvantage because “we were at the older and outdated facility,” but he reiterated, “It’s not because of the quality. ... They didn’t close it because of that. They could never say that. ... We were number one at the time, so they couldn’t say that.” One female worker recalled her determination to build the best car she could:

I did the best job I could till the day I left, and so did my husband. I believe that was one of the things that came out in the end, that they were really amazed that the quality continued to remain as high as it did right down to the very last one. Hey, we’re just going to do the best we can till it’s over. ... In my job I could have done a real lot of damage, but it’s the farthest thing from my mind because who would I be hurting? ... I’d be hurting people like me and you. ... Why would I want to do that? ... That thinking is totally wrong ... totally off the wall. ... There’s probably a percentage of people—small—but all the people I knew were all good people.

An office worker said she was proud of the way the union handled the situation, trying to keep the plant open in spite of the mandate from the company to close it. She was impressed with the way the workers continued to work on quality until the day the plant closed: “That kind of gave us a good feeling in the office because that meant a lot to us too.”

Many other workers said the same thing, that they could build a car as good as anybody; they broke records on quality and hoped Chrysler would notice the quality of the work they were doing and the value they were adding to the company as a whole. Even if it was an old plant, it was very clean and up to date, and it was a shame to close it. One manager said his workforce was the best workforce he’s ever had: “Out of all the years I’ve been with Chrysler, this is the best workforce.” Another manager said,

It didn’t make a difference ... we ... broke records that they had set building cars as far as quality. ... They had a big board up and they would list every plant, I think eight or nine plants they had on there ... what range they came in today or yesterday or whatever ... and this plant [Kenosha] ... was on top of their plants—even broke records that their plants had never had before—so that proved there that they weren’t really looking for where the quality was coming from, they just wanted to close the plant.

A worker said the union really did its best to keep work in Kenosha: “I’m very grateful to the union for aggressively fighting to keep the plant open and negotiating a good severance package for us with the Chrysler Corporation.” Another worker thought unions were the fabric of the country: “The union holds the stability of the country. America has to protect the small communities, protect people from companies like Chrysler.”

Economically, the settlement package for the first shutdown in 1988 was the largest provided for an auto-plant shutdown to that point in US history—more than \$250 million, according to union officials. Additionally, the Kenosha facility had beaten all the other Chrysler assembly plants in quality. A union representative stated that management was impressed by the Kenosha workers and the way Local 72 officials promoted partnership programs and worked for the betterment of the company. This local union thus had some success in the face of its overall failure to keep all plants open in Kenosha.

#### *After the Closing: Continued Efforts*

After the assembly and stamping plants closed, union officials continued to partner with management to make the engines they were still building in Kenosha even better. They took the old in-line six engines built in Kenosha from the worst engine in the auto industry in terms of warranty to a world-class engine. The former local president said the workers in Kenosha “can build an engine just as good as anybody else in the world.” In many ways, the workers are responsible for their own success. He said their solidarity was “unbelievable.” They all stuck together, focusing on quality, unlike in the old days when AMC management wanted quantity over quality. He also speculated that the engine plant would not be open [now] if the workers had decided to build junk cars when the announcement of the auto plant’s closing came. According to union records, the quality-improvement programs initiated by skilled trades had saved the company \$15 million by 1992 and the quality-improvement programs by other shop floor workers had saved the company another \$23 million by 1996 (Gunn 2010). Perhaps as a direct result, Chrysler decided to double production and invest \$100 million on quality improvements for the 4.0 Jeep inline motor being produced in Kenosha at that time (Gunn 2010).

As new jobs were created by these moves, Local 72 made sure that laid-off workers were recalled to either the Kenosha plant or one of the other Chrysler plants around the country. They made sure that contact information was up to date for those laid-off workers so when it was time to replace someone in the factory, they brought in someone from their recall list. Eventually, all of the laid-off Kenosha Chrysler workers who were eligible were offered a chance to come back to the factory, though some of them chose not to come back as they had established themselves in other jobs in the decade or more since the plant had closed.

In 1997, through the diligence of Local 72 urging its members to improve quality and reduce costs, Chrysler decided to bring more work to Kenosha in the form of a new engine line to produce the 2.7-liter V6 engine. By 1999, Chrysler had expanded the engine facility by 516,000 square feet to accommodate production for the new 3.5-liter V6 engine (Gunn 2010). These two investments alone were valued at nearly half a billion dollars. By the time the company closed the engine plant, it was approximately two

million square feet on 109 acres of land and employed nearly 2,000 people (Gunn 2010). The new production resulted in hundreds of millions of dollars being pumped into the local community. In fact, they were building so many engines that many workers from other Chrysler factories, such as the Jeep plant in Toledo and the Chrysler plants in Detroit, transferred to the Kenosha engine plant because they thought there was a future there (Gunn 2010). As one worker described it, “We were doing fantastic.”

Local union officials worked against the odds to keep some work in Kenosha and to bring more work there, to ensure that all those with rights to be recalled would eventually be recalled and then be able to retire with pensions from Chrysler. We were not aware of these efforts when we were doing the original surveys and so were surprised when some workers said they expected to be recalled. We thought they were not facing reality. Later, however, we saw that most of them were brought back to work and were able to retire.

A retired worker we interviewed in 2016 said she was grateful to Local 72 officials for their determination to get back everybody who wanted to come back. She had originally been laid off in the first plant closing in 1988 and had been laid off for more than ten years before she was eventually recalled in 1999. She said she actually was reestablished and had a couple of good jobs with paid vacations and benefits:

Yes, I had a couple of jobs in that ten and a half years [of being laid off]. Actually just shortly after the plant closed [in 1988], I started working at a car wash. I started as a cashier and ended up managing the place. I left to go work for the post office. I was a letter carrier for just shy of three years. [I] went back to the car wash because I made better money running the car wash than I did as a letter carrier.

She said a former coworker and a friend of her mother [who also had worked at Chrysler] persuaded her to take the recall, telling her that she had too much to lose in the way of retirement and health benefits if she walked away from the callback. She continued:

Well we didn't know that at the time. For years I'd contemplate, “When the time comes, will I or won't I?” The decision was made for me. I never had to think about it. ... I would have been 28 [in 1988]. I got called back in '99. ... So I was 39 when I got called back.

She added that the union did a good job and that by 2002, everybody on the master recall list who wanted a job was recalled:

As a matter of fact ... we got called back in '99, and in 2000, we were laid off for a bit again. ... No, I think 2002 is when they ended up calling everybody back that had ever worked there [or] had at least offered [a job]. I believe that was in 2002. ... But I was at the car wash and ... I

remember a friend of my mother, she was a '73 seniority person, she'd come in there all the time. I told her, "Ruthie, I don't know if I want to go back." "You're going back; your retirement and everything." So I went back. ... I worked for about a year and then again I got laid off in 2000. And at that point they told us it could be six months or it could be two years, you're going to be laid off. It was three months. I actually even went and got a different job, part-time job. That is just how I was. And I always thought I wanted to go into real estate, so I worked at a real estate office doing some stuff. [In] three months they call you back. And they call you on a Thursday; "We want you here tomorrow morning." "Well I can't." "Well why not?" "Well because I'm working for somebody [and] I'd like to tell them ... at least." It's the same way it was after they called me back after ten and a half years: "We want you here tomorrow." "Well I'm sorry ... I haven't been sitting here by the phone for ten and a half years. ... I've got to give this person some notice." Even then I only gave them the weekend notice. And that's where I had been for seven years. ... But yeah ... "We want you here now."

Local 72 was successful in bringing back its workers. Within twelve years, everyone who had been laid off was called back to work—and most were able to gain enough seniority to collect their pensions, especially since the union had bargained for the workers to count their time laid off toward their pension time.

### *The 2010 Chrysler Engine Plant Closing: The Group Survives*

Some twenty-two years after the first Chrysler plant closing in Kenosha, the newspaper headline read, "Chrysler Engine Plant will close in 2010" (Gunn 2010). It was the end of line for auto manufacturing in this once-historic automaking community of Kenosha. Before that, the company had continued to change hands. In 2001, Chrysler was purchased by the German company Daimler-Benz and formed the Daimler-Chrysler Corporation, which was run by the German firm. According to union officials, the Kenosha plant was one of four plants slated to receive the new Phoenix Engine [this next-generation V6 engine was renamed the Pentastar Engine], the others being Trenton, Michigan; Mexico; and Germany. By 2007, however, Daimler had sold off Chrysler to Cerberus Capital Management. Then, unfortunately for the Kenosha autoworkers, the Great Recession of 2008 was the final blow as Chrysler, along with GM, lurched toward bankruptcy and was rescued by the federal government. The Italian firm Fiat then bought the company, and the Kenosha plant was slated for closing. Chrysler received billions of dollars in a government bailout that, according to a union representative, was used to build a new engine plant in Saltillo, Mexico.

We revisited several union officials from Local 72 and the UAW in 2010 and discussed this final closing. One representative said,

China doesn't help. It has its own financial rules. The way they value their yen ... how do you compete with a person [making] 50, 60, even 70 cents an hour? Mexico making two bucks an hour. ... Fiat has stepped into a beautiful situation. ... They've basically got all the dealerships; all the choice factories ... all the fat they let go to the bankruptcy side; [and] government money to help them through. Yet they're not putting the work in this country. And I think that's where I'm very troubled by it. I'm a taxpayer. My job depends on this. My kids' college [education] depends on this.

He said that companies and workers were treated differently:

You know we ... made the argument that it was unfair that they were going to continue with their plans for the [engine] plant in Mexico while basically killing the plans for [the engine plant in] Kenosha. ... That was a great argument. It ... brought into focus the fact that taxpayer dollars were being used to keep Chrysler in business. We were totally in favor of that. But that there was an injustice. ... The plan was that the Mexican plant was to stay and Kenosha was going to go. Now there was a certain reality in play that they [Chrysler] had already spent \$550,000,000 to build that plant [in Mexico] and equip it. And it wasn't likely that they were going to walk away from that investment and duplicate that in Kenosha. But we certainly did make a lot of noise and we fought hard on that issue, but ultimately, we weren't able to prevail on that because ... [of] the cold hard economic facts that the plant had already been built and was online and ready to go and move forward.

The Chrysler Engine Plant in Kenosha did close. The last engine came off the end of the line on October 22, 2010. Recently, Fiat announced that it was going to end all auto production in the United States and move it to Mexico; only some trucks and Jeeps would be built in the United States. Ford just announced that it would move the production of all small vehicles to Mexico as well. A union official said recently:

Let's put it this way, I'd like to see them [Fiat/Chrysler] continue to make a full line of vehicles in the U.S., but Fiat/Chrysler because they're smaller than the other ones,

are in a little more precarious position. They may not survive as a standalone entity. At some point they may get bought out by one of the other companies.

Many of those we interviewed discussed their good fortune to have “made it” to retirement with the Chrysler company, despite some longer layoffs for some of them, especially given this global picture.

## **CONCLUSION**

The closing of the former American Motors Corporation’s auto manufacturing facility, which was by then (the end of 1988) a Chrysler auto manufacturing facility, was “high-profile.” The news media shined a spotlight on the issues of those affected by the closing because Chrysler had received grant money from the state of Wisconsin after promising to stay in the community for five more years. A UAW official said this particular plant closing brought changes to the way the Big Three auto companies and the UAW handled plant closings thereafter. He said Local 72 had to cobble a plant-closing package together to prevent its members from “being left out in the cold.” The UAW package included an extensive income-protection program for workers who were laid off. Buyout programs that offered high-seniority employees retirement packages in order to get lower-seniority people recalled to work became the norm, and in most cases, the closing package gave workers nationwide seniority for seeking jobs at other Chrysler-owned plants.

Economically, the settlement package negotiated between the union and Chrysler for the first shutdown in December of 1988 was the largest provided for an auto-plant shutdown to that point in US history: More than \$25 million in a trust fund was set up for displaced workers, to fund education and training and to provide other services they might need (Holley 1989, 1990), and each worker would be paid \$8,000–\$10,000 in profit sharing that AMC had failed to pay them. According to union officials, when it was finally over, the total package for the plant closing cost Chrysler about \$250 million.

In addition, at the union’s urging, quality continued to improve with the 4.0 Jeep motor that was still being produced at the engine plant in Kenosha at the time of the first shutdown. Later, the union negotiated more work for this engine plant in Kenosha in the form of two new types of V6 engines. Instead of losing all of the jobs, the company increased production with a total investment of nearly one billion dollars. Engines manufactured at the Kenosha facility were sent to assembly plants throughout the United States and were even exported to Canada, Venezuela, Egypt, Thailand, and Austria.

The result was that instead of more than 5,500 total workers losing their jobs in 1988, roughly 1,000 workers continued on at the Chrysler engine plant at any one time, at one point increasing to nearly 2,000 workers. As workers retired and more were called back, all laid-off workers with recall rights were eventually recalled, and most were given the opportunity to retire. The union negotiated to diminish the damage that a long layoff would have on a worker’s pension by counting time on layoff as time toward retirement. Even most of the workers who had been laid off for ten years or more were able to recoup most of it and actually retire with full pensions.

One interesting aspect of the union's role in relation to the plant shutdown was to persuade workers to not passively accept whatever came their way. They organized workers to influence the process and perhaps forestall the closing. The union pressed for a more favorable outcome for the workers and the community. Additionally, the closing experience may have expanded workers' consciousness about social functioning. In the future, they may try to influence changes in our economic and/or social structures for the benefit of all working-class families.

The union negotiated to establish a state-of-the-art center to help displaced workers obtain training and find new jobs. Many workers were able to transfer to other Chrysler facilities because of the union, and most of the workers were able to retire because of the union. Several office workers and foremen, and even some managers, made positive comments about how well Local 72 took up the challenge to fight for all of the jobs in Kenosha. In fact, they respected the union so much that in 2001, Local 72 organized clerical workers and engineers at the Kenosha plant under the UAW banner.

Our data shed light on the ways that workers can influence the repercussions of corporate decisions, and the impact that such efforts might have on their own adjustment and future well-being. Years earlier, Local 72 had started a transition from a confrontational in-your-face mode of relationship with the company, where wildcat strikes might happen at the drop of a hat, to that of a congenial partnership with management to save the company and increase the number of jobs. The union began this type of negotiation in 1985 when it compressed or eliminated unneeded classifications and reduced the number of union stewards on the shop floor. Even staunch advocates of unionism within Local 72's leadership changed their ways, and a new era of employee/managerial relations began.

Working with management not only for the betterment of employees but also for increasing jobs may be the only way unionism will be able to combat the threat that a global economy poses for the American workforce. Hopefully, those in corporate America will come to understand that competition from a global economy does not automatically call for the replacement of the American worker.

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