LaRouche Warns Nissan’s Wage Killer: ‘Mississippi Is Not Manchukuo’

by Bonnie James

The Japanese car-maker Nissan is leading a “race to the bottom,” in a drive to bust wages, working conditions, benefits, and the right to organize, in what a Mississippi State Legislator has called a “racial experiment on African American workers, aimed at how low they can drive auto, and American workers as a whole.” In its Canton, Miss. plant, Nissan has slashed wages to about 40% below what an union autoworker in one of the Big Three auto plants earns, and about 20% under the pay scale for Nissan workers in the company’s Smyrna, Tenn. plant, some 300 miles distant. The average hourly wage in Canton is about $12 an hour, while the supplier industries for the plant are paying $9-11 per hour. These are poverty-level wages, for full-time, skilled industrial work.

In a discussion with EIR’s Paul Gallagher on April 28, State Rep. James Evans, who represents Mississippi’s 70th legislative district, and is a member of the state AFL-CIO organizing committee, pointed out that the Canton plant is “part of the Black Belt . . . the City of Jackson is 75-80% black; and the county is the same kind of numbers, and maybe even more.” The “experiment” being carried out at Canton, just north of the state capital at Jackson, is based on taking an “eager,” largely black workforce, and using the plant as a model to destroy wage standards throughout the auto industry, and across the board.

The driving force behind Nissan’s Nazi-like labor policy is Carlos Ghosn, a Brazilian-born Lebanese, trained in France, who became CEO of the company in 2000, and instituted the so-called Nissan Revival Plan. Ghosn—a also the chief operating officer of Renault, Nissan’s industrial partner—is known throughout the industry as “Le Cost Killer.” Under his anti-labor, “shareholder value” regime, Nissan’s stock price tripled from 2000 to 2003. The Canton plant, begun in 2000, was part of the “revival.” Nissan built it on the quick, and it opened in 2003 with production of the Nissan Quest minivan. Now it also makes the Nissan Titan pickup, Armada SUV, Altima sedan, and the upscale Infiniti sport-utility vehicle. The corner-cutting has led to manufacturing defects in the cars. All but the Altima have received unacceptable ratings this year from Consumer Reports magazine, and sales fell 0.6% at the same time that the market increased 1.1%.

Evans charges that Nissan is treating its workers “like human cattle”: “When you decide on this race to the bottom—it’s two ways that you can level off standards of living. You can bring the folks at the bottom up to the folks at the top, or you can drop the folks at the top down toward the folks at the bottom.

“And treating them like human cattle—the fact that he [Ghosn] has laid off over 100,000 folks, and driven wages down, lets you know that he’s trying to set a standard for how fast they can accelerate this race to the bottom in wages. And this is the experiment to see—because this is the worst shop; it’s strategically located; and I’m certain that the results, of how well he survives this in the long haul, is what the industry and others are waiting to see.”

“It’s part of the race to the bottom as far as the middle class is concerned,” Evans emphasized, “and it’s greed driving down the middle class. This is one step above servitude, for $12 an hour. That’s what that is, with no respect on the job, no rights on the job. And then, it’s a deceptive thing; because the Constitution guarantees respect and dignity. And the law—although it’s too weak to do any good in the face of these thieves—but the law says the workers have a right to organize to better themselves.

“So we’ve got the Constitution and the laws; and in essence, they’re trying to deny them their legal rights and constitutional rights, with fear and deception.”

LaRouche’s Mobilization

In a discussion following his April 27 webcast from Washington, D.C., Lyndon LaRouche, who has proposed a top-to-bottom retooling of the auto industry for production of advanced transportation and nuclear plants, was asked whether he planned on taking up the banner of those who are protesting Nissan’s experiment in Canton. The questioner noted that the Canton situation, while extremely disturbing, pled from 2000 to 2003. The Canton plant, begun in 2000, is two ways that you can level off standards of living. You
kuo” — where terrible atrocities were committed against the
civilian population. “This was typical of the Japanese occupa-
tion in various parts of Asia, which was very brutal, LaRouche
added. “The Japanese tend to be rather nasty, extremely inhu-
man, in treating people who they feel are, shall we say, their
helpless subjects.

“And for Japan—at least a firm which is associated with
the name of Japan—to engage in what is happening in Missis-
sippi in particular, but also speckled in other locations around
the United States, is something which is not easily forgivable
on the part of Japan.”

LaRouche then addressed the Mississippi “experiment”: “Now, on the question of the location of this operation in the
United States: The peculiarity is, the United States, despite
all else, has a higher level of culture than is available to invest-
ors in other parts of the world, even a poor area, like the poor
area where they’re concentrating on a largely African-descent
population in this particular case.

“Remember that before this time, Japan invested signifi-
cantly in auto-producing plants in the United States, and while
the UAW was functioning, and when the Big Three existed,
that when the Japanese would set up an industry, they would
do everything possible to keep the unions out of those plants.
But, the way they would combat the unions, is by trying,
appearing at least, to match the benefits, which the UAW had
negotiated with its relevant firms.

“Now, what’s happened in this case, in this particular
case, and others, is a move to break that pattern. They say,
‘Screw them.’ And they go into areas where the population is
relatively poor, poverty-stricken. They get concessions, in
which all kinds of concessions are made—no taxes, no this,
no that—from the local community. In other words, the local
government funds the operation. And they use this as a pattern
to break the unions. And to break the standards of labor, and
welfare, in this country. This includes pensions.

“Now, what they’re doing is, by the General Welfare prin-
ciple, is something we can not tolerate. But the reason they
do that, is . . . because the United States is a better source
of skilled labor, than any other part of the world they have
available—even poor people who are of African descent in
these areas of Mississippi. They have an inherent cultural
advantage over the labor force available in other parts of the
world. And therefore, the Japanese are very astute to that.
They always moved in, in the United States, in producing
automobiles, because they could produce better here, than
they could in Japan. Because the culture of production in the
United States, is better than Japan. Japan has a very high
investment in high-capital intensive machinery, which is how
they produce. But the subtleties of production, the American
labor force, and the American environment, is much better
for production, than Japan itself. As Japan cases show.

“So, therefore, they’re coming in here, and looting us,
because we’re here. And they intend to loot us on a large
scale, gobbling up the entire auto industry, loot us, with the
convenience of the people in the auto industry itself. U.S. auto
industry. But at the same time, they’re picking up the advan-
tage of labor of a degree of skill and productivity, they can
not get in other parts of the world.

“So, it’s not a benefit to us, that they intend. They come
to suck our blood, not to benefit us.”

In response to LaRouche’s characterization of the issue
at the Canton plant, Representative Evans stated: “That shows
that Mr. LaRouche is a learned man who has done his research
on Mississippi . . . He sized it up correctly.”

Canton: ‘A Place of Fear’

Following a Feb. 24, 2005 meeting with United Auto
Workers President Ron Gettelfinger, local ministers and com-

nnunity leaders called Nissan’s Canton plant “a place of fear.”
They said the employees are forced to work long hours at a
breakneck pace, and under a restrictive attendance policy.
One Jackson minister said, “It’s not salary or health benefits.
It’s firing — how easy it is to get fired.” The top wages, only
attainable by a small part of the work force, are $2.25 less
than at Nissan’s Smyrna, Tenn. plant, and $6 an hour less than
a UAW member makes at a Ford plant, UAW Vice President
Bob King said.

Worse, most of the workers are being hired and kept as
temporary employees of a labor company, Ranstadt, for 18
months to two years before they even enter Nissan’s wage-
scale progression, and five more years before they earn com-
pany health insurance or retirement plans.

Evans graphically described the speed-up and brutal
working conditions at the plant: “They’re eating the flesh off
their backs, and robbing them and their families of the benefits
of their labor, by auto industry standards. That’s what they’re
doing, robbing them day by day.”

Why do the Canton workers put up with this? These are
people, mainly African-Americans, who have come from
you’re paying them $12 an hour, that means it’s going to take you double the time to get it back, if you ever get it. And you have to examine: Is the commitment being kept? That’s what the community wants . . . and those are questions that the taxpayers are concerned with being answered.”

In other words, workers making $24,000 per year, at best—barely above the official poverty level for a family of four—will not be paying much in the way of taxes, or have the discretionary income to spend in the local economy, as had been anticipated. Evans estimated that it would take at least 20 years for Mississippi to recover, in payroll taxes, its concessions to Nissan.

In addition, Nissan—acting as an “automotive Wal-Mart”—threatens its local suppliers, like Tower Automotive, with cutoff of contracts in reprimar for any union activity at the supplier.

‘Mission: Impossible’

The United Auto Workers and the AFL-CIO have decided to take on the challenge of organizing the Canton Nissan plant, a project that Evans calls “Mission: Impossible,” in a reference to the TV spy drama of the 1960s. Because, as he said, “If you look at every time that ‘Mission: Impossible’ came on, they completed a mission that was impossible, successfully.” While the labor movement has had other “missions impossible,” Evans judged that Canton may be among the most challenging, “because we’re dealing with Carlos Ghosn, who is really ‘Mr. Anti-Labor.’ ” On the positive side, Evans believes that the community will support the organizing drive, “because a lot of folks have tried to do things in Mississippi that they couldn’t do anywhere else; and they got met, with a strong, unified community.”

But, this is bigger than the State of Mississippi, as Evans points out: “It’s a crusade for justice. And the United Auto Workers is here, because the workers inside that Nissan plant asked for help. They asked the community folks for help; and they asked other folks for help. And the Auto Workers stepped up to the plate, and said, ‘Here we are.’ And the AFL-CIO, which I work for . . . is letting folks know that they have the right to a voice at work; and they have the right to better themselves, period. So, it’s obvious I’m in, from the guardian of the taxpayers voice in the state, to the employees’ rights.

“I don’t want Nissan to make a mistake about it,” Evans declared. “I’m doing this. This is my job. And I’m glad of the opportunity to be on a ‘Mission: Impossible’ team.”