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Westfall / Nader Interview with Perry Wright

Michael Westfall
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Abstract
This article is part of the collection of writings of Mike (Marshall) Westfall, retired autoworker from General Motors in Flint, Michigan (1964-1994) and activist critic of the auto industry restructuring that led to devastating job losses. It originally appeared online in The Westfall Papers. [http://michaelwestfall.tripod.com/id77.html, accessed 12/14/2011]

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Westfall / Nader Interview W/ Perry Wright

Perry Wright Show – WTRX – Flint Radio

July 3, 1985 – Flint Night Line

_Perry Wright_- This is "Flint Night Line". Our guests tonight are Mike Westfall and Ralph Nader. They will be speaking on G.M. and taxes. G.M. says they have been unfairly taxed and they want tax relief. Should they get it? Well, consumer advocate Ralph Nader is going to tell us what he has to say about that. A little later in the hour, we will be talking to another gentleman whose name happens to be Mike Westfall who is chairman of the "Westfall Awareness Committee".

I've done some investigating myself today and I found out that G.M. is appealing 1982, 1983, 1984, and 1985 tax assessments in Flint. From what I can find out, there is no way G.M. was improperly assessed in the Flint area, but G.M. is trying for tax relief anyway, and it's to the tune of $32 million. Hello, Mr. Nader. This involves more than just the Flint area, doesn't it, Mr. Nader?

_Ralph Nader_- Yes, it involves 20 Michigan communities including Genesee, Grand Blanc, Orion, Pontiac, and Warren. In Saginaw, G.M. is demanding 82% reduction in their property tax responsibilities even though they increased the value of their plants and have been getting property tax concessions in the last few years. So we are seeing here a real power grab and I think that not only homeowners but also small businesses in the Flint area are going to have to pay more in property taxes if G.M. gets away with its freeloading activities.

_Perry Wright_- I found out today that if we have to reassess G.M. and pay back certain monies that $.66 of every dollar goes directly to schools, so the school system will hurt more than anything else and be the big loser.

_Ralph Nader_- That's right. G.M. keeps telling communities around the country where Saturn is being dangled that one thing we want in the community is a good education system. That's what we're looking for when we locate plants. But what does G.M. do? They push Flint to undermine the school's budget by reducing their property tax responsibilities.

_Perry Wright_- Whose fault is it that we are in the spot we're in?

_Ralph Nader_- The first level of fault is with the bully, G.M. If the people allow themselves to be bullied by G.M., and then they are, of course, going to be responsible for paying a higher level of taxes. It all started a few years ago, when Roger Smith, who won't come to Flint to have a town meeting with us, modernized some plants pouring hundreds of millions of dollars in these plants increasing value of the plants and therefore logically increasing the amount of property taxes these plants should pay as a result. In return, over the last few years, many Michigan communities have been easy on G.M. giving them 50% tax abatements on new equipment, 10-15% reductions on property taxes on top of this, G.M. comes back and says they want 82% reduction in Saginaw and over 60% in Warren. So, G.M. started it and I thing G.M. is grossly underestimating the determination and the willpower of the people in Flint to say to G.M. "enough is enough".

If G.M. gets away with this, what's going to stop all of the other companies from saying the same thing and undermining further the money needed to make a community a nice place to live; that has firefighter services that are adequate, police services that are adequate, school services that are adequate. What's at stake here is the quality of life in the community and there is an old principle of American fairness that the double standard where the rich pay less and the poor pay more is not going to be tolerated. I would urge people listening to get in touch with Mike Westfall.

Mike is one of the most intelligent, farsighted autoworkers I've ever met and he has become an expert on the questions of automation and robotics.

_Perry Wright_- Mr. Nader, I've called Mike Westfall on another line and I want to get you two together.

_Mike Westfall_- Mr. Wright, Ralph is absolutely correct. There are fundamental changes occurring within General Motors today and G.M.'s demands for tax reductions are one of the major symptoms. In our country it is a privilege to do business and industry is one of our most precious assets, but not our most precious national asset. Our people and our communities are our most precious national asset. What it really boils down to is a question of power and who wins and who loses and pays the cost. If General Motors wins, then the implication is clear . . . it could be the end of the industrial tax base in Michigan.

_Perry Wright_- Mike, what do you think we should do in the Flint area?

_Mike Westfall_- Roger Smith is scared to death to meet anyone at a town meeting. We need to contact all of our mayors and politicians and do it in an organized effort. I realize that we don't want to get too far from this issue, but the tax reduction situation is just one symptom of Flint's affliction. General Motors is racing to automate. General Motors is racing to ship domestic jobs overseas to workers they are exploiting with low wages and all of these things are going to impact our communities in a manner and to a degree this country has never seen before.

_Perry Wright_- Mr. Nader, how does this affect the entire country?

_Ralph Nader_- There is a lot of large corporations watching G.M. in this situation in Michigan and outside of Michigan. If G.M. collapses, its industrial tax base responsibilities by these demands the other companies will say that Michigan will have to do the same thing. Ford will come into Dearborn where they have plants. Chrysler will come in. Georgia Pacific will come in, who knows maybe Dow Chemical will come in, and what happens is that then there will be a real crisis and the lawmakers in Lansing will say either we have to deteriorate the standard of living in Michigan, or we have to increase taxes on the little folks.

_Perry Wright_- Ralph, are we returning to the pre-union days when it comes to dealing with management?
Ralph Nader - You're right. In the depression years in the thirty's, G.M. kept pushing and pushing the workers and even though there was a depression, the workers said at one point "enough is enough" and they formed the U.A.W. and they got a measure of dignity and a higher standard of living. It's like Roger Smith in his skyscraper in Detroit surveying his domain and saying, "look whatever we have the power to do we're going to do."

Perry Wright - I have to ask myself, why a company that makes multi-billions of dollars per year is even interested in saving $32 million?

Ralph Nader - Cold blooded calculated bucks which all drain into one large vat, which might possibly be used to further export jobs with foreign auto links to import foreign autos with G.M. brand names. That's what's going on. It's not only that they are taking money from Flint, but also they are using money to invest overseas to displace jobs. That's what Mike Westfall studies and his conferences have been pointing out.

Perry Wright - Mike, does this mean then that while we are being told to buy American, G.M. is buying Japanese?

Mike Westfall - Absolutely, but more than buying, they are linking up with foreign companies. It's quite interesting that today the new issue of Wards Auto World came out and the results of our Awareness Committee's work was evident. Members of my committee attended the last G.M. stockholders meeting and I faced Roger Smith with some critical social impact questions of his direction of General Motors. I criticized him and General Motors for allowing the exploitation of the G.M. Mexican autoworkers with such a low wage and this criticism was picked up by Wards Auto World. I'd like to read a small Roger Smith quote from the magazine. It says-G.M. buys breakfast for its Mexican workers, and I quote, "to keep them from going hungry". I'm surprised that Wards Auto World would print it, but it did and Roger Smith himself substantiated it. What we are talking about were the Mexican "Maquila" workers. That's the free trade zone workers just south of the American border. They make on the average $0.72 per hour and they cannot even afford the costs associated with going to work . . . . the transportation, or clothing costs.

Perry Wright - So, in other words, they can't even buy the automobiles they are helping to manufacture?

Ralph Nader - How can our communities fight back when there is a clear threat to take jobs away? How can we make the whole country aware of what G.M. is doing by pitting community against community when there is only one winner and that is G.M.?

Ralph Nader - Cold blooded calculated bucks which all drain into one large vat, which might possibly be used to further export jobs with foreign auto links to import foreign autos with G.M. brand names. That's what's going on. It's not only that they are taking money from Flint, but also they are using money to invest overseas to displace jobs. That's what Mike Westfall studies and his conferences have been pointing out.

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Perry Wright: Let's talk to George.

George: What advantage does G.M. think they have by reducing the places they have employed? Doesn't that stop the workers from buying cars that they make? Why does G.M. want to do this if it threatens the people who will buy the cars?

Ralph Nader: They seem to be learning from these foreign companies. These overseas companies give their workers so little that the workers don't create the consumer buying power to build the economy. That was the genius of Henry Ford the first. In Michigan when he gave the workers about $5 a day, remember, about 60-70 years ago, some said, "what are you doing giving $5 a day on the assembly line when the average wage is $2.50 per day"? Ford said if we give them $5 a day they are going to be buying our cars, making Ford a bigger company. It seems like G.M. is learning a little bit too much of how corporations are operating in Korea, Taiwan, and Mexico and they want to import that kind of policy back here in the U.S.

Perry Wright: We're down to a couple of minutes, Mike, so why don't you give us your address so we can find out some of the things we can do to help you and Ralph in this fight.

http://westfallmike.tripod.com
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