

A SOLIDARITY WORKING PAPER

Lean Production: Why Work is Worse Than Ever, and What's the Alternative?

Friday 31 May 2013, by [POST Charles](#), [SLAUGHTER Jane](#) (Date first published: 2000).

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A lot of people are getting sick of hearing how good we've got it. "The economy's booming." "Everybody loves Clinton." "The stock market is up." "Everybody has a job." This is what our betters on Wall Street and the network news, in the think tanks and newspaper columns, say we should be grateful for. But then nobody we know feels lucky, or secure, or rich. So who's crazy?

If you're a young person contemplating the job market, even someone with a college degree, everyone tells you "there are no careers." You're supposed to be thrilled by the fact that you'll jump from job to job for the rest of your life—it's called "flexibility" or "being entrepreneurial." Many people in their twenties are trying to get used to the idea that they will spend the rest of their lives working temporary or boring, routine jobs with no chance to use their brain or get a promotion—much less buy a house. According to the Bureau of Labor Statistics' 1996 projections, the fastest growing occupations in the next millenium will be personal home health aides, manicurists and correction officers. Even jobs once considered "professional"—university teaching, engineering, computer programming—are being transformed into part-time, temporary occupations where today's skills may be useless tomorrow.

"It's fine if you don't mind being an alienated youth person for the rest of your life," said one graduate school dropout turned part-time secretary turned socialist. "But if you wanted to have a family, you feel cheated." Some people scrounge up loans and financial aid to go to college just to have a place to hide out for a few years, before they enter this dismal rat race. Just about no one in this generation believes they will collect Social Security when they retire. If you're an older person with a job, you feel cheated too. Your workload is bigger than ever, you may have a weird new "flexible" work schedule, the lay-off ax is always hanging over your head, and your wages haven't kept up with inflation. Lots of people hate the forced overtime; others grab as much as they can, to keep up with their bills. Management is always coming up with some brilliant new program at work to get you to "buy in" to working harder. The results are increased heart disease, repetitive stress injuries and lots of depression.

To make it worse, at the very time that social services like good health care, unemployment benefits, Social Security pensions, welfare, and childcare are needed more than ever; governments are cutting or dismantling these programs. Just when we're working so hard that we have less time to care for our children and parents, more and more of this burden is falling on individual families.

So, the 1990s has been a decade of intense economic contradictions. On the one hand, profits are at their highest level since the 1970s. Corporations are doing better today than at any time in the last thirty years. And most ordinary working people are doing worse. What's wrong with this picture?

Part of the reason we're hurting is the changes employers have made in the way they organize work, and therefore in the way they make us work. The new work system, which got its start in the auto industry in Japan but is now used all over the world, is called lean production.

Lean production is the cutting edge of the corporations' and governments' attempt to reorganize social life. Lean Production judges everything and everyone on the basis of speed and productivity. If anything or anyone does not fit the needs of speed and productivity, they are disposable—whether they are a good, service or whole categories of people.

Individuals are told that they, and they alone are responsible for their success or failure in the new "lean and mean" world of the next millenium. If you cannot find a job, you somehow failed to train yourself properly for the ever changing demands of the corporate economy. If you cannot support yourself in retirement, it is because you failed to save or to make the right investments while working. Society—in the form of unemployment insurance, social security, medical care, welfare, you name it—no longer has any responsibility for the fate of individuals cast off in the search for productivity and speed. We are literally on our own.

The "war of all against all" that lean production intensifies creates tremendous insecurity which is a fertile ground for the growth of all sorts of social problems. Crime—usually committed by poor people against other poor people—is a direct outgrowth of a society that says that poverty is the result of individual failures. The intensified competition for jobs, wages, housing, health care and the like is also a fertile ground for racism, anti-Semitism, immigrant bashing, sexism and homophobia, as each group of working people attempts to maintain their slipping social and economic position at the expense of other working people. As we become hardened to widespread suffering here at home, we are more easily manipulated into supporting foreign policy adventures-bombings, economic sanctions—that spread the suffering around the world.

As we will see, lean production is not new—it is the cutting edge of capitalism today.

LEAN PRODUCTION-HOW IT WORKS

The heart of lean production is reorganizing work to cut costs. Sometimes it goes under names like "Total Quality Management" or "team concept" or "reengineering," but we prefer the more accurate title "Management by Stress." Any worker is familiar with the "slogan of the month" new programs management comes up with to increase productivity. While they say they want workers' "input," what they're really looking for is more "output."

Bosses have been reorganizing the way we work ever since the beginnings of industrial capitalism. In the early twentieth century, it was called "Taylorism," after Fredrick Winslow Taylor, the father of Scientific Management. Taylor urged employers to do time-motion studies of workers, concentrate all planning work in the hands of managers, and give workers detailed instructions on simple and repetitive tasks. Henry Ford combined Taylor's ideas with the assembly line to increase the speed of work even more. Later, automation—and now computerization—increased productivity (output per worker) even further. Lean production is the latest version of these schemes to get more work out of fewer people.

From management's point of view, the beauty of lean production is "eliminating waste"-getting rid of

“excess” activities, materials and workers. The only problem is, their definition of “waste” includes most things that make work life bearable, like breaks, or a reasonable pace, or a set work schedule, or a decent paycheck, or job security. To get the greatest bang for the buck, lean production stresses workers to the limits of their capacities, through:

- Speed-up, plain and simple—just work faster, or do more jobs, or do the same with fewer people.
- Deskilling—break the jobs down so they take little time to learn. This saves money because higher paid skilled workers can be replaced with lower paid unskilled workers.
- “Multi-skilling”-really multi-tasking. Doing more jobs, usually of the deskilled variety.
- Contracting out or privatization of work previously done by unionized workers.
- Use of temporaries, part-timers, and contract workers.
- More flexibility for management in setting hours and tasks.
- Cracking down on absenteeism and eliminating replacements for people who are absent or retire.

Employers have introduced lean methods in all walks of life, from phone companies to health care to coal mines. Hospitals have turned nurses’ work over to unlicensed aides; universities replace tenured professors with part-timers and use e-mail and the Web to increase workloads.

The auto industry is where lean production first hit the United States, so we’ll use it as an example. An assembly-line worker in a traditional auto plant could perform her or his assigned tasks in say 45 seconds of the minute the car body moved through her or his workstation. This allowed the assembler to work faster for a period of time (“work up the line”) in order to create an unofficial break. In a lean production plant, this is impossible. Work is structured so that the worker requires 58 seconds to complete the tasks; management’s aim is for everyone to work continuously. One autoworker described working in a lean factory as “eight hours of aerobic activity each day.” Today at NUMMI and other auto plants, workers must constantly struggle with their bosses to get bathroom breaks, which management labels as “wasted time.”

Management by stress has also made the work process tighter. Manufacturers have eliminated large inventories of parts; instead, parts are delivered “just in time,” so the pressure is on the supplier plants. They’ve laid out the assembly line so that each phase of the production process is tightly synchronized with the next. Such a “lean” system means they can reduce the number of supervisors needed to directly observe workers—which is not all bad. But the system itself creates the pressure to never make a mistake.

Then management applies another type of pressure—for workers to actively participate in speeding up their own jobs, through task forces and teams. It is no longer enough for workers to come to work and do their jobs; they need to become “partners in production.” Management calls this “empowerment.” Many union activists call it “cutting your own throat.”

The introduction of new, expensive technology like computers, a feature of the lean workplace, does not necessarily mean that workers are gaining more skills. Contrary to what the futurists have predicted, new technology today often means deskilling. Through “expert programs,” or “foolproof” electronic eyes to do inspection, the judgment calls have been taken away from us “fools” and turned over to the machines. Your job is to keep up with the machine. Lean production cuts costs not only by reorganizing the workplace but also by sending a lot of the work someplace else, through contracting out, outsourcing and privatization. Lower-paid, non-union workers now do the jobs

previously done by relatively well paid, unionized workers.

Public employees—postal workers, teachers, transit workers, hospital workers, social workers, sanitation workers and others—are among the most likely to be unionized. When federal, state and local governments have given private firms contracts to provide services; the results have been disastrous for both public employees and the public at large. Not only are the wages and working conditions at the private contractors much worse, but the contractors often reduce services to boost their profits. It is not uncommon for cities with privatized garbage collection to see frequency drop from twice a week to one a week.

Unions have traditionally attempted to “remove labor from competition” by bargaining for uniform wages and working conditions within a company and industry. Privatization is one way to create competition among workers-giving work to the lowest bidder. Another way is through two-tier workforces, where new-hires are paid substantially less and are put on a different track where they’ll never catch up.

Whether a second tier exists in a particular workplace or not, two-tier is certainly the case in the workforce as a whole. The top tier is a shrinking number of permanent (till you’re laid off), full-time, decent-paying (but less so) jobs. The second-tier jobs are increasing rapidly, pay less, are temporary, maybe part-time, and almost never union. What the two tiers have in common is that in both of them, life on the job is more stressful than ever. The second-tier workers are disproportionately women, young people, African-Americans and Latinos—or those forced out of their formerly good jobs.

In public universities and colleges, for example, close to half of all classes are taught by adjunct faculty—part-timers who are paid far less than full-timers and usually have to hold several teaching jobs at once. In some public sector workplaces, the second tier is workfare workers. Welfare recipients who receive less than the minimum wage and can be denied their meager benefits for any minor offense are cleaning parks, mopping floors in government buildings and filing in government offices—work previously done by union members. Government policies have aided and abetted the corporations’ drive to increase competition among workers. Workfare was created not just so that politicians could brag about putting “freeloaders” to work; it was a way to push hundreds of thousands of people into the workforce, and thus keep wages for those bottom-of-the-heap jobs low. Legislation that deregulated the trucking, airlines and telecommunications industries intensified competition and thus encouraged employers to reorganize work and undermine job security. NAFTA made millions of workers fear their employers would move to Mexico—and therefore made them willing to give concessions or vote no in a union drive. The Clinton Administration’s Labor Department actively promoted labor-management cooperation programs and “reinventing government”—cutting jobs.

WHY LEAN PRODUCTION?

Why have corporations and government embraced lean production? Leaders of the AFL-CIO have two answers. First, they say that our bosses are acting irrationally when they pay low wages, cut jobs, and intensify competition among workers. John Sweeney and most other top union officials argue plaintively that corporations and governments are shooting themselves in the foot by pursuing this “low road” (wage cutting) to competitiveness. Second, they argue that corporations are simply “greedy.” Rather than being satisfied with a “reasonable” return on their investments, corporations attempt to maximize profits at the expense of the rest of us.

The AFL-CIO would like to convince employers to take the “high road.” They should stop fighting unions. They should pay decent wages and realize that a good union, one with “partnership” as a

policy, will help institute a “high-performance workplace,” one with greater productivity, quality, and therefore profits. According to the AFL-CIO’s “Common Sense Economics for Working Families—The Top 10 Myths about the Economy”: “When wages grow, consumers spend more; business invests more in efficiency and productivity increases. This leads to higher wages and economic growth—and the cycle continues.” What’s wrong with this scenario? “Investing in efficiency and productivity” equals lean production—and that means layoffs and lower wages for workers, not more jobs and higher wages.

Most union leaders seem to be caught in a time warp on this question; they’d like to go back to the 1950s when U.S. corporations’ dominance over their competitors allowed both workers’ incomes and profits to grow together. Their belief in the possibility of a “win-win” solution where both workers and employers benefit has led them to embrace various forms of labor-management cooperation. Under various labels—Quality Circles, Team Concept, etc.—union leaders have offered their support in management’s bid for competitiveness. Union leaders have agreed to cooperate with management to get workers to work harder and longer for less, in the hope that these givebacks might save jobs.

Many workers have had the same hopes and have agreed to these schemes. They may know the boss is out to screw them, but still feel they have to cooperate in the loss of work rules in the hope that management will not close their plant, or contract out their work.

Of course, the embrace of labor-management cooperation has not produced either job security or wage increases. In fact, cooperation schemes have helped pave the way for lean production’s spread across workplaces. By giving up the protections of clear contractual language on job categories, for example, and by signing on to mandatory “teams” and the like, some unions have helped create a workplace environment where workers actively participate in implementing lean production. It’s no longer enough to do the job to get paid; workers are expected to use peer pressure and contribute their ideas to speed up and cut jobs.

The AFL-CIO’s economics helps the labor officialdom justify its strategy of labor-management cooperation. The strategy of “jointness” has many benefits for the labor bureaucracy—it creates many more full-time union positions to administer labor-management cooperation schemas and it provides an alternative to the mobilization of rank and file workers which could endanger the political and social position of the officialdom.

Unfortunately, the AFL-CIO completely misunderstands how the capitalist system works. Put simply, there are no “win-win” situations for both capitalists and workers. Capitalism creates a “zero-sum game”—every gain for capitalists in competitiveness and profitability comes at the costs of workers’ wages and working conditions.

It is true that one group of workers may gain short-term job security as a result of cooperating with their bosses. However, these gains must come at the expense of other workers (now called “the competition”). And competition among workers has long-term consequences. When workers—in different companies, workplaces or even departments—are pitted against one another, the race to the bottom is on. The temporary winners will soon be asked for more givebacks as the next round of competition begins.

The conflict between workers and employers is built into the basic structure of capitalism. Workers create the vast majority of accumulated wealth. In the words of “Solidarity Forever”: “It is we who plowed the prairies; built the cities where they trade; Dug the mines and built the workshops; endless miles of railroad laid.” Yet the capitalists control this productive wealth (land, machinery, offices, etc.). They set up work in a way that ensures workers will create goods and services far beyond the value of what we take home in wages and benefits. It is this “unpaid labor” that is the

source of all profit in capitalist society.

Without the workers, no profits, no huge salaries for managers and executives, no new investment. To increase profits, capitalists must get workers to work as long and as hard as possible—for as little as possible. Our wages are their costs. Any improvement for us, in pay or working conditions, must come out of profits—and vice versa. Because the bosses' gains are the workers' losses, the interests of capitalists and workers are fundamentally opposed. Try as they might—and many have—no one can wish away this basic conflict of interests.

The driving forces of capitalism—profitability and competition—make the conflict between workers and capitalists continuous and irreconcilable. What will bring the greatest return on their investment drives every major decision capitalists make. Profits decide what is produced (tanks or deodorant), where it is produced (Indonesia or the U.S.) and how to produce it (hand tools or automated machinery). The needs of consumers, the environment, workers do not matter. As long as profits are made, capitalists do not care whether their factories pollute the air and water or working people suffer from unemployment, poverty and workplace diseases. The infamous cost-benefit decision that led to the production of the Ford Pinto—profits were projected to be much greater than the money that could be lost to the lawsuits of the bereaved—is one example of the perverse logic of profitability. Regardless of the desires of individual managers or owners, for capitalists the bottom line is the only line.

It's not greed that drives capitalists to get the biggest bang for their buck (although greed there is aplenty). Competition is the disciplining force that forces each and every capitalist to minimize costs and maximize returns. Lowering prices is the main way companies compete with one another. The company that can offer the same quality product for a lower price (or a higher quality product for the same price) wins—that company increases its share of the market and makes more profits. If management decides to raise their workers' wages or improve their conditions, the company's costs go up. The company will not be able to offer its product for a competitive price; it will lose market share and make less profit than its competitors. No one will invest in a business that is not making a good profit, so the company's source of money for new investments—needed to buy more efficient machines and computers—dries up. Any capitalist who loses money—or even one who makes a lower profit rate than others—faces the possibility of going bankrupt.

The cut-throat nature of capitalist competition can be clearly seen in the recent anti-trust trial against Microsoft. In their quest to dominate the computer software market, Microsoft's executives have used every available means to eliminate potential competitors. Microsoft's executives showed little concern for the fate of other corporate chieftains, much less the hundreds of thousands of workers whose livelihood was at stake. The Microsoft case also shows the real limits of government attempts to regulate competition. Only when other giant corporations (Sun, Netscape, America On-Line) find themselves harmed by "unfair competitive practices" does the government step in to "level the playing field."

Competition and the drive to maximize profits through the introduction of new technology spur capitalism to long periods of economic growth. The twenty-five years after the Second World War were such a long capitalist boom. But ironically, the very things capitalists do to remain competitive, especially the replacement of workers with new technology, eventually lead to falling profits on new investments and to long periods of economic stagnation and crisis like the one that began in the early 1970s and is just now ending. This is because the introduction of new technology has contradictory effects on the capitalist system. When each individual company invests in new technology, that company improves its competitive position vis a vis the others. But at the same time, the rising cost of technology lowers the rate of profit for all the capitalists. What had been a logical and rational decision for each competitor ultimately leads to lower profits for all, and thus a

crisis for the whole system.

Falling profits intensify competitive pressures on capitalists to cut costs at the expense of workers. As profits fell sharply in the early 1970s, capitalists began to search for ways to lower costs. At first, it didn't occur to managers to break the union contracts that had helped provide stability for so long. Chrysler set the ball rolling when it asked the UAW for concessions in 1979. When other companies saw that union leaders were willing to say yes, they began an offensive against unions-and nonunion workers—that continues to this day. Lean production marks the high point of corporate attacks on unions and government slashing of social benefits.

So John Sweeney has it wrong. Taylorism, Fordism, and now lean production do make sense for capitalists. And lean production seems to be bringing them positive results. Combined with the elimination of the least profitable companies through bankruptcies and mergers, lean production's reduction of wages and increases in productivity have brought some increase in corporate profits since the early 1990s. Capitalists and their representatives in government are keenly aware that the only way they can continue this recovery of profitability is to continue and deepen lean production.

HOW DO WE FIGHT LEAN PRODUCTION?

The place to start fighting lean production is the place it begins—the workplace. Workers need to resist management's attempts to speed up their work, to contract it out, to introduce a two-tier workforce, through job actions (slow-downs, work-to-rule campaigns, "running the plant backwards") and strikes. Lean production's reduction of inventories ("just-in-time") and tendency to run with the fewest possible workers makes it particularly vulnerable to work stoppages by small groups of strategically placed workers.

We have already seen some important battles against lean production in the workplace. The 1997 UPS strike won new full-time jobs to replace part-time ones, although management later broke the agreement. The strikes against GM in 1998 demonstrated the weak link of lean production, as 9,200 workers in Flint, Michigan successfully deprived almost all of GM's plants in North America of parts. In February 1999, American Airlines pilots mounted a sick-out against a two-tier wage structure that nearly paralyzed the airline.

Victories against lean production make the lives of working people a little better—keeping your break can make the difference between a lousy job and a vile one. Just as important, these battles prove that capitalists are not all-powerful—that workers can organize and fight successfully. The victory at UPS gave workers everywhere a shot in the arm. A good fight teaches lessons and skills for future fights, and gives people a sense of their own power.

The logical place to look to organize the workplace struggle against lean production is in the union movement. Unfortunately, many union leaders are not up to the job. For one thing, as argued above, they're looking for partnership with the boss, not confrontation. They accept the limits that capitalist profitability and competition place on workers' struggles. To challenge profits and lean production requires militancy—concerted, collective action that disrupts "business as usual." Workers must be ready to try potentially powerful but risky job actions, strikes and demonstrations. Worker militancy can make it cheaper for employers to agree to workers' demands than to go forward with another round of speed-up.

But militancy poses problems for the full-time union official, who no longer works side by side with her members. Their salaries and jobs do not depend on the outcome of workers' struggles, but on the survival of the union apparatus. Anything that could possibly endanger the union apparatus must be avoided—especially worker militancy and the risks it entails.

In place of militancy, union officials embrace what we call “business unionism.” The labor bureaucracy relies on the grievance procedure, routine collective bargaining and support from “pro-labor” Democratic Party politicians to defend the interests of working people. When business unionism fails, as it did in the 1980s and 1990s, officials promoted labor-management cooperation in the hope of maintaining employment and union membership.

Occasionally labor officials do lead important fights, like the Detroit newspaper strike that began in 1995 and the GM strikes of 1995 and 1998. However, the labor bureaucrats generally organize these strikes so as to minimize membership mobilization and involvement and to avoid confrontations with the employers and the government. It almost seems that they prefer losing to mobilizing the members. In the case of the newspaper strike, the union leaders opposed membership initiatives to blockade the printing plants because they feared injunctions and fines. Not surprisingly, four years later the conflict is still dragging on, with many workers still locked out of their jobs. Similarly, the GM strikes had little impact on outsourcing in the auto industry. Fearing a court ruling that the strikes were illegal, UAW leaders insisted that they were over “local issues” and refused to mobilize the UAW membership and other workers in support of these highly visible strikes that challenged outsourcing and speed-up. For these reasons, fighting lean production means we have to reform our unions. Over the years, independent organizations of rank and file workers committed to doing this have come and gone, but they always seem to crop up again. Teamsters for a Democratic Union (TDU) is the largest and most successful union reform movement, with thousands of members fighting to turn the Teamsters into an organization that can successfully fight the employers. In many ways, the success of the UPS strike in 1997 owed much to the efforts of TDU. TDU’s successful campaign to win direct election of international officers, its efforts to elect and reelect Ron Carey’s reform leadership, and its years of organizing at UPS against team concept, part-time work and speed-up all prepared the grounds for the victory at UPS. Other reform groups exist in the United Auto Workers, Transit Workers, Letter Carriers, United Food and Commercial Workers, Machinists, AFSCME, and Service Employees. All are struggling to democratize their unions so that they can effectively fight their bosses.

Fighting lean production employer by employer, while necessary, will not really win the war. The 1998 GM settlement is a good example. The UAW forced GM to agree to invest \$150 million in new facilities in Flint. However, GM was still free to do what it wished with its other \$150 billion in annual investment. As soon as the strike was over, GM announced that it would sell off its entire parts division. Thus some workers, often the same ones involved in the union reform movements, are trying to link up with others in their industry or in other industries. The newsletter Labor Notes, with its large biennial conferences and smaller schools, brings activists together; so do the Association for Union Democracy and Jobs with Justice.

An important step in fighting lean production is international coordination. Lean production is a literally global phenomenon. Much of what is mistakenly called globalization, or more accurately the creation of international production networks, is based on adoption of lean production by capitalists across the world. The international spread of lean production has both pulled workers apart, pitting them against one another in competition for jobs, and pushed them together, working for the same corporations in integrated, cross-border production networks. While official international union organizations have embraced international labor-management cooperation, small networks of rank and file workers have emerged in a number of industries. The Transnationals Information Exchange, based in Amsterdam, has organized international conferences of workers in the auto, telecommunications and other industries and published educational material about lean production internationally. Historically, workers have tried to fight capitalist values not just in the workplace but through forming political parties and advocating legislation. Laws to reduce the workweek, restrict or prevent plant closures, limit capital mobility and outsourcing, or guarantee health care

for everyone would limit forced competition among workers and the power of capital. Such laws would provide a floor under working conditions, and begin to subject private investment decisions to public scrutiny. To fight lean production politically, unionized workers will need to build alliances with other working people. If they do that, non-unionized workers, part-time and temporary workers—who are disproportionately young, female and people of color—can see the labor movement's struggle against lean production as a way of ending the economic and social insecurity that increase racial and gender oppression.

But just as we can't expect the leadership of the AFL-CIO to lead the fight against lean production, neither will the Democratic Party support workers' political demands. At best the Democrats' support for progressive social legislation in the past was a response to mass movements of industrial workers in the 1930s and African-Americans and women in the 1950s, 1960s and 1970s. Today, the Democrats are competing—successfully—with the Republicans for the financial and political support of the capitalist class. The Democrats are just as enthusiastic in their support of lean production as the Republicans are. Democratic governors like Clinton of Arkansas, Cuomo of New York, and Dukakis of Massachusetts pioneered privatization and workfare. The Clinton administration sponsored laws that make it easier for capital to move internationally (NAFTA, GATT, etc.) and that increase competition in the labor market (welfare reform).

Workers in the United States need their own political party, to mobilize working people, union and not yet union, in support of a pro-worker, anti-capitalist platform. The Labor Party is an important step in this direction. While not yet running candidates, the Labor Party is educating union members and other workers about the necessity of an independent working class voice. Even good laws will not permanently stop capitalists from cutting wages, speeding up work, and moving to other countries. As long as capitalists control investment—the decisions about who will work, how, where and when—they will be able to sabotage even the strongest pro-worker legislation. A good example is what happened in the early 1980s in France. A Socialist Party government was elected with overwhelming popular support for its program of pro-worker legislation. French capitalists responded by going on an investment strike—they shut down offices, factories and stores in France and moved their capital out of the country. The government was faced with the option of either encouraging workers to take over the offices, factories and stores and running them as public enterprises, or capitulating to the owners' demands. Without either a commitment or strategy to go beyond capitalism, the party capitulated to big business, abandoned all the pro-worker reforms they had been elected to carry out, and began to pass laws that actually aided French capitalists in instituting lean production. Although workers in various workplaces and various countries can win victories against aspects of lean production, the only way to stop lean production permanently and everywhere is to abolish the system that makes profit the ruling motive. That is, to replace capitalism with socialism.

Only when workers own and control the productive wealth of society—the land, factories, telecommunications, offices, stores, machinery, computers—can we guarantee all people stable and fulfilling work that allows them to meet their needs. Only when workers plan economic life—making the decisions about what, how and where goods and services are produced—will dog-eat-dog competition no longer regulate economic and social life.

In a worker-run economy, the introduction of new technology could bring more free time, more jobs, more interesting work and less stress, rather than unemployment, deskilling and speed-up. In a worker-run society, the surplus created by working people could be used for schools, hospitals, museums, parks and a rich social and cultural life, rather than to build factories that pollute the environment and profit only their owners. In a worker-run society, young people would receive a good public education they could use in secure, challenging and socially useful work, rather than face a world where public schools are the choice of last resort and the future promises only

temporary and deadly dull jobs. In a worker-run society, all members of society could know they'd have security in their old age, rather than a world in which every individual has to climb over others to make their way. There's plenty of money there to afford a decent life for everyone; it's just in the wrong hands.

"Socialism" is the age-old name for this envisioned society where the majority rules, but it has little or nothing to do with the bureaucratic dictatorships in the former Soviet Union, Eastern Europe and China. Socialism requires democracy. Without democratic freedoms (free speech, assembly, press, formation of different political parties), how could we make intelligent and informed decisions about how to run economic life? The experience of the regimes in the East has demonstrated that no small group of state bureaucrats can make such decisions. Only the vast majority of the people, free to discuss, debate and decide how resources are used, can build an alternative to capitalism that works and is worth fighting for. The creation of a democratic, worker-run socialist society will require a revolution—a massive struggle to take political and economic power away from the capitalists. Of course, today we are very far from being able to mount such a challenge. To organize for socialism requires workers to be far better organized. That organization can begin with democratic unions, rank and file reform movements, international union networks, a labor party, and all kinds of movements that fight for better conditions under capitalism, like the environmental, international solidarity, living wage, women's rights, students' rights, gay and lesbian rights, disability rights, and anti-racist movements.

Members of Solidarity are active in building such organizations because we believe that the experiences people have—coming together, planning strategy, confronting capitalist values—can lay the groundwork for stronger organizations in the future. At the same time, socialist groups like Solidarity are important, too. If socialism is ever to happen in this country, there'll have to be a very large organization consciously committed to that goal. For now, a socialist organization provides a place where activists can share experiences, develop a clearer understanding of capitalist society, and work on strategies for immediate and long-term victories. A socialist organization helps its members develop a long view of history, which helps them deal with the setbacks and disappointments that come when capital seems all-powerful and workers' movements weak.

Many of you who will read this pamphlet may find that you agree with only parts of it. Hopefully all will agree that lean production is responsible for making jobs worse than ever, and that it must be fought. Some will agree that the bulk of the current union leaders won't lead that fight. We hope you will join us in building rank and file reform groups to take control of our unions.

Others may agree that fighting in a single workplace or industry is not enough. We hope that you will join in us in building links across unions. Others will agree that international coordination is needed, and will join us in organizing discussions among unionists across borders. Some may agree about the need for workers to have their own political party, and will join us in building the Labor Party. We hope that at least some of you agree with our final conclusion: the need to replace capitalism with democratic socialism. If you do, we hope you will join Solidarity, where you can join with many other groups and people to help build a movement for socialism.

Charlie Post and Jane Slaughter

Suggested Readings on Lean Production, the Capitalist Economy and the Labor Movement

All of these are available through the Solidarity National Office. You can contact us at: 7012 Michigan Avenue, Detroit, MI 48210, via email, 313-841-0160 (phone), 313-841-8884 (fax). Our web site is here.

Howard Botwinick, "Labor Must Shed Its Win/Win Illusions: It's Time to Organize and Fight," *New Labor Forum* 2 (Spring 1998)

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THE FRUITS OF LEAN PRODUCTION

- In the mid-1990s, average real (inflation adjusted) weekly earnings for workers were 15% below what they were in 1973. (K. Moody and S. Sagovac, "Time Out: The Case for a Shorter Work Week,"

Labor Notes, 1995)

- Sixty percent of all U.S. jobs created since 1979 pay less than \$7,000 a year. (Fact Sheet, Welfare by Corporations is Corporate Welfare)
 - "The wages of the average non-college-educated male fell 10.1% from 1979 to 1989 and another 7.2% between 1989 and 1995. ("The State of Working America 1996-97," Economic Policy Institute, 1996)
 - "A young female high school graduate earned 18.9% less in 1995 than in 1979.
 - "For most families, increases in net income have come from more hours of work, not increases in hourly pay. (Congressional Study: "Families on a Treadmill: Work and Income in the 1980s," January 17, 1992)
 - Real hourly pay of wives increased for most families, but for 60 percent of families, the decline in hourly pay of husbands was greater than the increase in wives' hourly pay. *The total wages of all people who earned less than \$50,000 a year—about 85% of Americans—increased an average of 2 percent a year from 1980 to 1989, which did not even keep pace with inflation. By contrast, the total wages of all millionaires shot up 243 percent a year. (Internal Revenue Service)
 - Rate of tuition increases before 1978 was 1% below the inflation rate; since 1978 the rate has been more than twice the inflation rate.
 - Despite its recent increase, the minimum wage remains 15% below its average purchasing power in the 1970s.
 - In 1978, corporate CEOs, or chief executive officers, were paid 60 times what the average worker earned. By 1995, CEOs had increased their pay to 173 times the average worker's income. (Abid Aslam, "U.S. Rich Benefit at the Expense of the Poor," Third World Network)
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UPS = MBS

One of the hallmarks of lean production is too much work for some, not enough for others. UPS has always been an industry leader in leaning on workers.

Here's what management did at a UPS center in New Orleans:

- Management laid off 15 drivers and bumped them down to part-time workers, humping boxes.
- They took a \$7 per hour pay cut, and had to work split shifts: 3-8 am and 6:30 PM to midnight.
- Meanwhile, the remaining drivers were worked overtime. Maybe half in any given day were forced to work the legal limit, 12 hours.
- Management's productivity numbers looked great—but to add insult to injury, supervisors started illegally driving routes as well.

P.S.

* <http://www.solidarity-us.org/leanproduction>