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The bankruptcy of General Motors is a jolt. This company has been for decades almost what America was all about. It had become that by, for one thing, surpassing Ford. And it was Henry Ford who got the auto industry onto a track of supreme importance to the country when he reasoned, back near the beginning, that if he paid his workers well, every one of them could then buy a Ford. And for decades the auto industry was onward and upward. It learned to live with its unions, and provided thousands of well-paying jobs to people of limited educational achievement. It sought people of high intellect and creativity to fill positions in management, finance and design. Then came 1973, the Yom Kippur War and OPEC's realization that the price of oil could no longer be dictated by oil companies. They thought they could set that price but rather quickly discovered there would, from now on, be a market doing that. And, the world changed radically, but we see clearly now that GMC never caught on.

In the 36 years since 1973 so very much changed. The price of oil has gone from \$3 a barrel to as high as \$150 and is now back above \$70. The original price jump in '73 from \$3 to \$12 caused American car buyers to suddenly pay attention to mileage. That drove them to Volkswagen, Toyota and Nissan.

GM, and Ford, took note and over several years radically improved their mileage. They also realized that their Japanese competitors had aggressively latched onto principles of quality that had been put forth by an American; W. Edwards Deming. It took GM and Ford an agonizingly long time to grasp the importance of Deming's concepts. But, in this process, they could not in any way meaningfully address their relationship with the U.S. auto unions. Those relationships had become nearly sacrosanct, but, unfortunately, they were also ruinous. They culminated with large halls filled with UAW members playing games throughout a day and drawing full salary and benefits from the auto makers. This burden, especially in light of high quality Toyotas being built to excellent standards by non-union workers, was simply unsustainable.

GM is going to emerge as a different entity that, hopefully, can still produce automobiles that the American public will want. One sure thing is that the relationship with the UAW is forever changed.

All of this is part of another sea change that has occurred in the U.S. since the early '90's. This is the realization that a very wide variety of products, like clothing, tools, kitchenware and a myriad of others, could be produced in China, shipped here and sold at a fraction of the price that similar products made in America could be sold for. The effect on manufacturing jobs in the U.S. has been dramatic.

So, here's the picture. Foreign competitors, who carry none of the baggage that American producers carry, have become capable of producing everything from clothing to automobiles that our population wants and will buy from them because the quality is good and the price is cheap. That means, very simply, the importance of education to our population has never been greater. Our kids cannot expect to mush through high school, or drop out, and be hired by a factory making shirts. Those don't exist here anymore. But other opportunities do exist. They are related to higher-tech fields that require more than minimal education. They are fields that require the kind of creative thinking at which our country has excelled.

Doing very well in school has become extremely important, because that has become the minimal requirement for a job with a future.