his fellow team members had returned to describe new equipment or production techniques. But, in fact, what the NUMMI team learned concerned a change in management philosophy, and company executives were no doubt reluctant to pursue this direction, for it touched the heart of what was culturally wrong with GM."

Had NUMMI not hired the former GM workers, GM's management might have been able to claim that the success of NUMMI, and especially the excellent relationship between employees and managers and NUMMI, was the result of replacing the former GM problem workers. But since the former workers were hired, GM's managers cannot delude themselves on this point. Yet, the recent strike in Dayton shows that GM management has been unable to learn the lessons of the NUMMI experience. The problem, in no small degree, is that GM managers are unable to even conceive of what NUMMI is actually all about, because of the oligarchical rentier-financier contempt for human labor that has come to dominate U.S. business management thinking. This outlook is based on fundamental assumptions about human nature, and the character of human beings, which predispose U.S. business managers to see their employees as troublesome burdens, rather than as their company's greatest assets.

The chasm between these two management cultures we have discussed here, is captured by the following statistics from the MIT study: An industrial worker at a Japanese auto manufacturer in Japan submits an average of 61.4 suggestions per year. By contrast, U.S. workers at U.S. auto manufacturers submit 0.4 suggestions per year. Under Japanese management, the number of suggestions submitted by U.S. workers (working at Japanese transplants in North America) shoots up a statistically significant 250%, to 1.4 suggestions annually.

The efficacy of Ohno's and Toyota's approach is very evident today: The U.S. automakers, and Wall Street's analysts of the auto industry, profess themselves terrified at the likely prospect that Toyota and a few other Japanese automakers will still be able to produce and distribute vehicles in the U.S. market for a profit, even if the yen-to-dollar exchange rate remains near 100 yen. Significantly, it is very rarely mentioned that Japanese auto workers are now paid more than U.S. auto workers. The London *Financial Times* reported on March 16, 1995, that the German automotive industry trade association found that the employment cost of U.S. auto workers in 1994 was 39.55 deutschemarks per hour, 13% less than the DM 45.47 per hour for Japanese auto workers. That reversed the cost relationship of the two countries in 1991, when U.S. auto workers cost DM 35.05 per hour, slightly more than the DM 33.87 per hour cost for Japanese auto workers.

That U.S. industrial managers would implement JITI primarily as a means of reducing the carrying cost of inventory, merely reflects the cultural bias of U.S. management to elevate financial considerations above all others. On a deeper level, it reflects their bias toward an oligarchical view of human labor.

# Bouchard implements IMF agenda in Quebec

by Raynald Rouleau

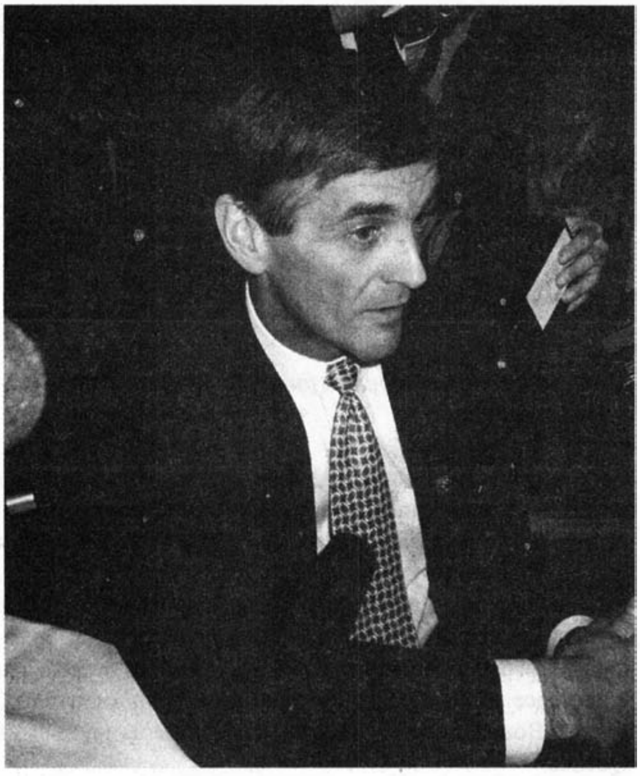
*The author is a correspondent for the French newspaper* Nouvelle Solidarité.

For three days, on March 18-20, the "elites" of the Canadian province of Quebec met in an attempt to come to a consensus about what to do about Quebec's financial difficulties. This was an extraordinary conference, in the sense that the leaders from the top Canadian financial institutions, industries, labor unions, community groups, clergy, students, etc., all gathered to "work together" to formulate a plan of action. The conference was called by the Parti Québecois' new chief, Lucien Bouchard, who recently took office as premier of Quebec.

Pressure seems to have come down from the world's financial elites, that if Quebec does not "straighten out" its finances, Standard and Poors and Moody's rating agencies would downgrade its financial paper—which in turn would cost Quebec millions of dollars more to borrow on the international market. This pressure seems to be strong enough that the idea of a new referendum on whether Quebec will secede from Canada, has now been pushed back to somewhere after the next provincial election, which could be as far as two or three years away. On the other hand, Bouchard could declare an election tomorrow morning if he wanted to, but he has said it certainly wouldn't be this year.

Bouchard could have gone the way of French President Jacques Chirac, or of Ontario Prime Minister Mike Harris, and taken an axe to the government budget. But, in both of those cases, the population has risen to a point of near uncontrollability. The government of Quebec now has a debt of Can $75 billion (U.S. $52 billion), the equivalent of each person carrying Can $10,169 in debt. For every dollar spent, 14¢ goes directly for interest payments. Unemployment is more than 11%. Drastic budget cuts in Quebec on the scale of what Chirac or Harris have imposed, would be a little more tricky, because of the question of "independence." Historical precedents show that if tight social control is not kept, there is the possibility that real independence-minded leaders could emerge, and turn the population against the British Empire.

So Bouchard seems to have been brought in, in part to "smooth" the implementation of these drastic budget cuts. According to sources, the idea of a "consensus conference"



*Lucien Bouchard, leader of the Parti Québecois, who was brought in to impose vicious austerity in Quebec.*

existed even before the resignation of Jacques Parizeau as party leader last November. Some even say that Parizeau was forced out, precisely because his popularity was so low that he would not have been able to bring about "the required consensus," especially after having lost the independence referendum.

## Government not in 'good faith'

So, as the story goes, Bouchard, who is known to be close to the circles of one-world government guru Maurice Strong, was "elected" chief of the Parti Québecois, to implement the agenda of world institutions such as the International Monetary Fund (IMF). In his first public speech upon assuming office, he put forward the idea that government finances will have to be straightened out, and immediately called for a "socio-economic summit."

The conference, which took place in Quebec City, was called the "Conference on the Social and Economic Future of Quebec." The CEOs of the Bank of Montreal, Royal Bank of Canada, Bombardier, Alcan Aluminum, Imasco, and Quebecor, and several other businessmen, mets with other leaders of society: government ministers, politicians, labor unions, students, small businessmen, senior citizens, clergy—every section of society was represented. The sad part was that most of the participants were there in good faith. They were made to believe that they were really there to find solutions, when, in fact, from the start, the only real item on their agenda was vicious budget cuts. Most of the solutions that participants put forward, unfortunately, were nothing but ways of redividing the already shrinking economic pie: reduction of work days, sharing overtime, early retirement, increases in specialized education, reduction of government regulations, increasing private enterprise, and so forth—hardly anything new.

There were, however, some serious proposals that went in the right direction, such as the building of great infrastructure projects to put people back to work in well-paying, productive jobs. From the labor sector there was mention of the Windsor-Quebec TGV high-speed rail project, the building of more hydroelectric dams, and an electric car project. But these proposals are not likely to see the light of day, for two reasons.

First, the financial institutions have no interest in long-term industrial infrastructure development. They much prefer investment in the information super-highway, fast money flows, and speculation.

Second, and more important, these "solutions" do not take into consideration the global world picture: the fact that the entire world monetary system is about to collapse. It is hopelessly bankrupt, and throwing money in that black hole is an absolute waste. Nothing short of a total bankruptcy reorganization of the world financial system could work at this point. That is what the conference should have focused on.

## Another year in which to hang

Bouchard's official plan was to bring the budget deficit to zero in two years. But the consensus reached at the conference extended the "zero deficit target" to the year 2000. The goals agreed upon are to reduce the deficit from Can \$3.2 billion to Can \$2.2 billion in the first year, then to Can \$1.2 billion, and then to zero. As if this were not enough, there was also some kind of agreement for a balanced budget law "to ensure that the next government would continue that progress," according to Bouchard. There were three working groups that were set up to sort out the specifics of the consensus. Then, in October, there will be another summit, "the decision conference," at which another consensus would be reached, but this time on the details. In short, the extra year could be compared to the situation of a death-row inmate who has won the right to smoke one more cigarette.

Bouchard said at the end of the conference that he will be meeting with the financial agencies to present them with the consensus he has obtained.

In the opening of the spring session of the National Assembly on March 26, Bouchard sounded like Newt Gingrich, threatening that no one would escape the cuts: "To those who say, 'not in my backyard,' I respond, there will be something in everybody's backyard. . . . All government departments will see their budget restricted this year. . . . The countdown is on."