

Open letter to Opel and Vauxhall auto workers from German SEP candidate

From Ulrich Rippert, German candidate of the Socialist Equality Party
for the national elections 2009

22. September 2009

Dear brothers and sisters,

It is imperative to reject the agreement between General Motors and Magna, and I want to explain why.

The sale of GM Europe to Magna is not aimed at “the rescue” of Opel. The purpose of the deal is to shift the burden of the world economy crisis onto your shoulders. It is part of a worldwide frontal attack on the working population, whose standard of living is to be lowered to the level of the 1930s.

Just look at what happened in the US! There, the Obama government consigned General Motors to bankruptcy and “reorganised” the company in the record time of six weeks. The wealthy investors and banks got back 100 per cent of their money while workers got nothing. Fourteen plants and 2,000 dealerships have been shut down. Some 27,000 workers will lose their jobs. Company pensions and health insurance for retirees are being slashed or wiped out, even for those long in retirement. Older workers are being dismissed and replaced by new hires who earn less than €10 an hour. Through these measures the company will save more than \$130 billion.

The Magna deal has similar aims. So far, 10,500 dismissals and wage cuts of €1.6 billion are planned over the next five years. This, however, is just the tip of the iceberg. Under conditions where both the CDU (Christian Democratic Union) and SPD (Social Democratic Party) in Germany favoured a deal with Magna, neither of the two governing parties was willing to risk frightening voters before the federal election. But as soon as the polling stations close on Sunday, everything will once again be up for grabs.

Experts are already pointing out that the deal is a long way from being complete. They estimate that further factory closures will be on the cards for the middle of next year at the latest.

The German representative in the Opel trust, Manfred Wennemer, even voted against the Magna deal because he does not consider it to be viable.

He assumes that “New Opel” will go broke in 2010, even if the business plan is adhered to. One can easily imagine the consequences. In the coming weeks, GM and Magna will already begin pressuring staff to make new concessions.



Opposition to planned dismissals, plant closures and wage cuts must be organised now. If you do not take such measures, you stand to lose everything, and the next generation will be left without a future.

The biggest obstacles in the way of organising such resistance are the trade unions and works councils. The German IG Metall and the chairman

of the European works council, Klaus Franz, have helped prepare and work out the Magna deal. They rely on a huge apparatus of well-paid union and works council officials, who suppress any opposition by playing off one factory and workforce against all others.

If Klaus Franz now declares he is not prepared to accept the planned job cuts, workers should treat his comments with the contempt they deserve. In an interview with Deutschlandfunk, Franz described the wiping out of 10,500 jobs as “not so dramatic.” Today’s demonstration is also not aimed at preventing job cuts. On the contrary, it is to ensure that—once again, according to Franz—“production volumes and also the burdens involved be divided fairly between the European works.”

As if this were not enough! The German government prefers a deal with Magna above all because it promises to improve Germany’s relations with its biggest supplier of energy, Russia. The partly state-owned Russian Sberbank and the automaker GAZ stand behind Magna. For their part, the American government and the GM management in Detroit want to prevent GM technology falling into Russian hands at all costs. IG Metall and the works councils have lined up fully behind the German government in this conflict. The head of IG Metall, Berthold Huber, even traveled personally to Moscow to seal the deal with Prime Minister Vladimir Putin. You are being manipulated like toy figures in this imperialist game.

The British, Belgian and Spanish trade unions are no better than IG Metall. They protest against the Magna deal because it favours retaining German plants and subsequently line up with another investor, RHJ International,

which is not a jot better than Magna. Just like IG Metall, they are vehemently opposed to the principled defence of all jobs, preferring to act instead on the principle: "Burn down my neighbour's house, instead of my own!"

The consequences of such a policy are devastating. While trade conflicts are escalating, the trade unions are pitting workers in different locations and countries against one another. As was the case in the first half of the twentieth century, when the crisis of capitalism led to two world wars, the trade unions are once again spreading the poison of nationalism and chauvinism.

For their services, they are being lavishly rewarded. In the US, the United Auto Workers union (UAW) has become joint owner of General Motors. A trust administered by the UAW holds a 17.5 percent share portion of the reorganised company. The proceeds of this trust are meant to cover the healthcare of pensioners formerly in the hands of GM. The rate of return, however, is insufficient. Tens of thousands of pensioners will lose their health protection. On the other hand, UAW functionaries, who administer the trust, are guaranteed a lucrative income. They now have a personal interest in ensuring that company profits increase while costs—i.e., wages and social benefits—sink.

A similar solution is intended for "New Opel." The joint works council has already agreed to withhold vacation and Christmas benefits and retain contractually agreed wage increases. These funds are to flow into a specially created worker equity investment company (MKBG). This puts additional capital at the disposal of Opel and will be administered by factory-based union officials. Through this mechanism, these officials become official co-managers of the company with a correspondingly generous income.

In order to defend your jobs and incomes, you must break with the corrupt apparatuses of the trade unions and the works councils and develop independent factory committees. These committees have the following tasks:

- They must establish contact with all European GM works, GM workers in the US and workers in other auto factories and industries. The struggle against global companies requires an international strategy.
- They must prepare actions—factory occupations, strikes and mass demonstrations—in order to prevent factory closures and financial concessions and reverse already agreed contracts detrimental to the workforce.
- They must become the starting point for a mass movement fighting for a socialist transformation of the society.

The crisis in the automobile industry can be only solved on the basis of a transformation in social relations. The power of the banks responsible for the economic crisis and now, once again, raking in massive profits, must be broken. They must be expropriated, transformed into public

enterprises and placed under democratic control.

The auto companies must also be converted into public enterprises run and democratically controlled by the workers themselves. Only on this basis can the economy be further developed to satisfy social needs rather than the private accumulation of profit.

My party, the Socialist Equality Party, as the German section of the International Committee of the Fourth International, advocates such an international socialist programme. We carry out our work in close cooperation with our affiliated organisations, the Socialist Equality Parties in Britain and the US. The *World Socialist Web Site* is our online daily socialist publication.

We offer you our political support to lead the fight against the eradication of jobs and conditions in the automobile industry and invite you to make contact with the PSG and the Editorial Board of the WSWS.

With socialist greetings

Ulrich Rippert

More Informations: www.gleichheit.de

Partei für Soziale Gleichheit • PSG

Postfach: 040 144 • 10061 Berlin

E-Mail: psg@gleichheit.de

Telefon: (030) 30 87 24 40

Wahlabschlussveranstaltung der PSG

**Eine sozialistische Antwort
auf Krise und Krieg**

**Berlin • Sa. 26. September 2009, 16:00 Uhr
dbb forum berlin, Friedrichstr. 169/170**

Presserechtl. verantw.: L. Niehammer, Postf. 040144, 10061 Berlin