

Support the struggle of Volkswagen workers in Brussels!

Set up defense committees independently of the works council and trade unions!

By Editorial Board
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The strike by Volkswagen workers in Brussels makes clear the urgency of organizing a joint struggle by workers at all VW locations and plants.

The decision by VW management to withdraw production of the Golf model from its factory in Brussels and shift production to its German factories at Wolfsburg and Mosel in Saxony is part of the “historic savings program” announced at the beginning of the year. The program involves drastic rationalization measures in the form of substantial job and wage cuts, combined with worsened working conditions for all VW factories throughout Europe.

One site is being played off against another and workers blackmailed into accepting these attacks. Many workers are aware of this fact and see the necessity of a common, internationally coordinated struggle by all employees as the prerequisite for any successful defense of jobs. The international strategy pursued by the company management must be matched by an international strategy of resistance.

The problem is that the trade unions and the works councils hold the opposite point of view. They are collaborating intimately with the executive and are the main instrument for implementing management policies at the expense of the workforce. This role played by the work councils and the trade union bureaucracy has been especially evident in the case of this latest move by Volkswagen.

The prerequisite for the transfer of the production of the Golf model to Wolfsburg and Mosel was the new contract agreed by the unions for VW’s German factories, which involved wage cuts and increased forms of flexibility in the workplace. The four-day week, consisting of a 28.8-hour working week, first introduced in 1993, was abolished. Following the new contract, which became operative at the beginning of November, the regular working week increased to 33 hours for production workers and 34 hours for administrative personnel. The agreement involved a flexible working week of 25 to 33 hours for production workers, and 26 to 34 hours for other employees. Wages were fixed at the old rate for 28.8 hours per week.

The statement by some works council members in Wolfsburg that the agreed contract is completely independent from the planned transfer of production of the Golf model is a lie. The same

works council members have on several occasions raised the demand that capacity at German sites be increased—with their eye on production of the Golf—and made their agreeing to wage cuts dependent on such a decision by management. Now the same individuals from the works council and the main engineering and industrial union IG Metall have the nerve to send fulsome solidarity greetings to the striking Volkswagen workers in Brussels. The cynicism of these people is only exceeded by their corruption.

In order to liberate themselves from the straitjacket and patronage of the works councils and mount a principled defense of all jobs at all VW plants, workers must build independent committees that establish close and direct connection between the workforces at different plants in different countries. The existing works councils operating at a European and international level are strictly opposed to such an initiative. They describe themselves as co-managers and are part of the company conspiracy against the workforce.

The *World Socialist Web Site* offers its active support to lead workers in the struggle for a principled defense of all jobs at all locations. It is ready to assist in establishing contact with workers in other workplaces threatened by dismissals and welfare cuts.

Outrage over the enormous corruption of many works councils and trade union functionaries is understandable, but insufficient. They must be stopped in their tracks and their influence broken.

To this end, it is necessary to make a sober and detailed assessment of the latest developments in Wolfsburg. The facts make clear that the works council is quite literally in the pocket of the employers. They have not the slightest right to speak on behalf of the workforce or give their seal of approval to contracts.

Three items of news from Wolfsburg have hit the headlines during recent weeks:

On November 7, VW chief executive Bernd Pischetsrieder announced his premature resignation at the end of this year. His job will be taken over by the current head of Audi Motors, Martin Winterkorn.

On November 16, the public prosecutor’s office in Braunschweig brought charges against the former head of the Volkswagen personnel executive committee, Peter Hartz, for

breach of trust in 44 cases. Hartz had resigned his post at the end of last year and had already retired, when it was revealed that within the space of just two years 780,000 euros had been awarded in the form of unregistered expenses for work council members. The money was spent for such things as trips to brothels during paid luxury holidays.

On November 21, the same public prosecutor's office arrested the former Volkswagen works council boss Klaus Volkert on charges of "danger of obstructing justice". According to press reports, Volkert had tried to obstruct investigations being carried out against him and manipulate witnesses.

All three news items are closely related. The substitution of Winterkorn for Pischetsrieder represented a coup for Ferdinand Piech in the VW management executive. The Austrian multimillionaire is a grandson of Ferdinand Porsche, who developed the legendary Volkswagen Beetle for the head of state at that time, Adolf Hitler. As joint owner of the Porsche enterprise, Piech also has a considerable share of the stock in VW.

When Piech took over the VW executive in 1993, he enjoyed close links with the prime minister of the state of Lower Saxony and later German chancellor, Gerhard Schröder of the Social Democratic Party. Piech also had the support of the IG Metall trade union. Two characteristics stood out in the period during which Piech headed VW. On the one hand, he sought to broaden the base of Volkswagen, which had traditionally produced low and mid-price models, through the production of luxury class vehicles. He bought up such brands as Bentley, Bugatti and Lamborghini and developed the luxury sedan Phaeton, building a glass-walled factory in the center of Dresden for the production of these models.

Secondly, Piech, in co-operation with the personnel department headed by Peter Hartz and the works council, was able to implement substantial wage cuts. In 1993, he announced the axing of 30,000 jobs, following a drastic slump in demand. His response was the introduction of the four-day week based on an average 28.8 hours. The measure involved substantial wage cuts for workers, but was praised by the trade unions as the only way to avoid compulsory redundancies.

The company's foray into the luxury car market turned out to be a disaster, costing VW billions. Piech came under pressure and switched to the post of chairman of the supervisory board. His deputy was the current chairman of the IG Metall trade union, Jürgen Peters, who sits on the VW supervisory board together with the new works council chairman Bernd Osterloh and eight additional works council members.

For Bernd Pischetsrieder the so-called "System VW", involving collaboration between the executive committee, works council and trade unions, was merely a burdensome additional cost factor. Piech's company strategy on the other hand is bound up with close co-operation with his so-called "social partners" in implementing further drastic attacks on the jobs, wages and the working conditions of VW workers.

Against this background, details have emerged of the full extent of the corrupt practices of the works council. In one year, 2002, Klaus Volkert received a total of 693,000 euros—in the form of regular salary, extra pay and special bonuses. That sum

corresponds to a monthly income of 57,750 euros. In addition, he received expenses and travel costs. Every three months VW transferred the sum of 23,000 euros into the account of Volkert's Brazilian mistress.

Anyone who claims that what is at stake is merely a regrettable individual case has overlooked the fact that the public prosecutor's office is currently undertaking investigations into no less than ten Volkswagen works council members. Comments by Jürgen Peters, who has sought to play down the affair with the remark that the allowances for Volkert were high but not unusual, only rubs salt into the wound and makes abundantly clear that the affair is not restricted to an individual case.

Such corruption is an inseparable component of the German system of trade union-management "co-determination" and social partnership. In the past, works council members sat on the supervisory boards of many big German companies and enjoyed extensive privileges. In the 1970s and at the beginning of the 1980s they were still in a position to negotiate compromises and partial improvements for employees. But now the situation has been completely transformed by the globalization of production.

Under the pressure of global competition and the ever-present threat to shift production to low-wage and low-tax countries, the response of works councils and the trade unions has been to take up the defense of their own "location" and factory by ensuring increased profits for their own company. They have been fully transformed into an arm of management, securing extravagant remuneration for their services. The same development can be witnessed in trade unions all over the world.

The principled defense of jobs demands a political break with the conceptions of social partnership and co-determination. It is necessary to adopt a completely different perspective, which proceeds from the international character of modern production and the common interests of all workers worldwide. Such a perspective is bound up with a socialist transformation of society, where the social interests of the population as a whole have priority over the profit interests of big business and the banks.

The building of defense committees against mass redundancies and welfare cuts must be bound up with a discussion of such a socialist and internationalist perspective. This provides the only alternative to the cowardly and bankrupt arguments of the union bureaucracy, which remain completely within the framework of capitalism.

We call upon all those who support the struggle of the Volkswagen workers in Brussels or wish to take part in the construction of defense committees in other enterprises to make contact with the *World Socialist Web Site* Editorial Board and discuss these essential issues.



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Socialist Equality Party visit:

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