

# France: Token resistance by the unions to new Renault job cuts

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The French Renault car manufacturing group announced at its Central Works Committee September 9 a plan to cut 3,000 jobs in France, mainly white collar workers, in addition to the 1,000 job losses already scheduled at the Sandouville plant in Normandy. A further announcement of a reduction of 2,000 in the European workforce, of which 900 cuts will occur in France, is expected September 25.

These figures do not take into account the axing of temporary workers and those in supply industries.

The majority CGT (General Confederation of Labour, close to the Communist Party) and other unions called minimal token protest actions at the French plants for September 11.

Workers in Renault responded to the call with what amounts to a massive vote of no confidence in the trade union leadership, which has a long history of concessions to the management drive for increased profitability.

According to the CGT, a mere 2,000 workers out of the 41,000 workers in France took part in the mostly one- or two-hour token stoppages organised in the plants by the unions. The CGT reports the "participation of 400 at Cléon as well as Sandouville." However, there was a minimal mobilisation at Flins and Douai, where some twenty gathered outside the plant in the morning. At Douai, 1,550 out of the 5,600 workers are affected by the company plan.

The CGT said "we are pleased" with this response.

The unions have called another similar "day of action" for September 25 to coincide with the meeting of a Renault group committee where the official announcement will be made on job cuts in the European plants. Again, there is no call for a company-wide strike but just an appeal for "walk-outs and gatherings" at Renault sites and a demonstration in the Normandy town of Le Havre, where the Sandouville plant is situated.

Management has claimed that it is not intending to impose forced redundancies and has proposed a joint commission with the unions in order to work out the terms and conditions whereby the workers would leave on a voluntary basis. The CGT has made it clear it has no intention of fighting this contraction of the job market which will hit areas and communities already devastated by cuts and closures.

In a press statement issued September 9 the CGT declared that it rejected participation in the proposed joint commission: "Well, we say directly that the CGT will not take part in this horse-trading and our organisation will have no part in the organisation of an

uncertain future for those who volunteer to leave, nor the organisation of a further decline in the living and working conditions of those who stay..."

However, the CGT statement issued September 15 implies that the union will in fact concentrate on helping the company to find formulae that will induce workers to leave voluntarily. It declared that the CGT believes that these "job cuts are not at all justified" and that the redundancy inducements are "at ground level."

The trade unions have made it clear that they will mount no significant campaign against Renault's 6,000 job cuts in France and Europe. Indeed, they will collaborate in imposing the downsizing of the workforce required by the company's three-year plan, Renault Contract 2009, and the decline of the car market. Fears about the competitiveness and the profitability of the company have led to a 45 percent drop in its share values since January.

This is in a context in France of great social tensions, where the leaders of the main trade union confederations (Force Ouvrière, the CFDT and the CGT) have issued warnings to the government that in the coming months they fear massive social explosions over the cost of living, jobs and the defence of social and democratic rights, which the trade unions may not be able to control.

The determination of the trade unions at Renault to prevent a mass movement of the workforce to defend its jobs and conditions was demonstrated by their declared intention in their September 9 press statement to halt all action till October 1, pending negotiations with management. "We have said that September 11 next will be a first action where the workers will be called on to mobilise. And we will see with them, if it is suitable to extend the action to October 1, the date of the Central Works Committee and of the Works Committees which will follow on October 3, 2008."

The CGT's priorities do not involve the organisation of the combative power of the workers. They consist of an appeal to management to give up its policy of attaining a 6 percent profit margin on turnover. A leaflet entitled "Renault Contract 2009: Nothing for the workers" says "Management must ... envisage more realistic profit margin objectives. Management can begin a sales offensive for the Laguna model by putting it on the market *at more competitive prices than the competition* [author's italics] instead of cutting 1,000 jobs at Sandouville. ... It must remotivate its staff with significant pay rises!!!!"

Here the CGT expresses an explicit policy of pitting workers from different plants and firms against each other in order to

enhance the competitiveness of their company.

Again, the September 9 press statement uses an ecologist argument to attempt to split French Renault workers from their foreign colleagues: “And if Renault talks a lot about ecology, they should explain to us how transporting Logans from Rumania, Twingos from Slovenia, Koléos from Korea, and the Clio estate from Turkey, and now the Sandero from Brazil constitutes an advance for ecology.”

In a similar vein, in a letter to President Nicolas Sarkozy, the CGT appeals for his support on the basis of economic nationalism: “Most industrial investments are being made internationally (Morocco, India or participation in the Russian manufacturer Aftovaz) to the detriment of the sites ... located in France.”

The globalisation of production and the opportunities it gives for big business to exploit the most oppressed cheap labour sources on the planet (China, Vietnam and other countries) and to use this to destroy working conditions in the advanced countries cannot be opposed by economic nationalism, which leads to an alliance of the trade unions with their own national capitalists. Only the international unity of the working class can effectively oppose the global assault on the working class.

Meanwhile the economic crisis deepens. The European Commission expects the French economy’s growth to slow to 1 percent for 2008, beneath the already low estimate of 1.3 percent for the entire Eurozone. It is expecting Europe to reach recession for the second half of the year, dragged down by Germany, the UK and Spain whose GNP will register negative growth in the period.

The French car maker Citroën PSA has announced 10,000 job cuts.

The American motor industry is attempting to maintain profitability and competitiveness though massive cut backs in the labour force, and with the full collaboration of the auto union, the UAW.

Speaking in Reykjavik September 9, according to a Reuters report, Volkswagen boss Martin Winterkorn said: “We have got prudent for 2009.” The report added: “Talking about the difficulties experienced by the American car industry, Martin Winterkorn expressed his worries on seeing a competitor like General Motors shelter behind the bankruptcy laws. In the eyes of the president of the Volkswagen directory, this would enable GM to lower cost notably by modifying different agreements made with the unions so as to end up with a competitive advantage. ‘We dread this scenario.... Those that think that Ford and GM are going to disappear from the market are badly mistaken’, said Martin Winterkorn.”

European manufacturers will attempt to compete with American rivals with American methods.

Under these conditions, far from putting forward a united struggle of Renault workers in defence of jobs and conditions throughout France and the world and in other industries where workers are faced with similar attacks, such as at Airbus, the main orientation of the CGT, as we have seen, is towards cajoling management to diminish the drive for profits for shareholders.

The CGT press release shows how the rate of exploitation of workers has been increasing. In 2005 Renault produced worldwide 2,533,423 vehicles with a workforce of 127,000 and made an

operating profit of 3.2 percent. In 2009 the company aims to produce 3 million vehicles with 116,893 workers at an operating profit of 6 percent. Market conditions have meant it has had to revise down its production estimation for 2009 from 3.3 million vehicles.

The CGT reproached management for the fact that “The dividends distributed to shareholders added up to 500 million euros in 2005 and are due, with an identical capital structure, add up to 1,300 million euros in 2009. That is an increase of 800 million euros in four years” and that company president Carlos Ghosn had picked up 225,000 stock options, or 1 million euros of dividends for 2009.

Yves Audvard, the “Renault CGT Employee Administrator,” sent a letter to President Nicolas Sarkozy pointing out that “The state as a principal shareholder (holding 15.1 percent of the capital) must intervene with management to demand another industrial and social strategy reconciling the common interests of the population.”

That the CGT should make the campaign to defend jobs and conditions essentially an appeal to the social conscience of management and the president, completely devoid of any conception of the class struggle, should come as no surprise. Already the CGT in alliance with the CFDT (French Democratic Confederation of Labour, close to the Socialist Party) signed a joint document April 9 with the employers organisations, the “Common Position,” improving the inducements for trade union integration into management. This was in exchange for supporting the destruction of the 35-hour week and an important deregulation of working hours and became the basis of the law dismantling large parts of the labour code that protected working conditions.

The job cuts in Renault can only be the harbinger of far more massive attacks on workers living standards and rights in France and Europe. These can only be met by workers making a break from the trade unions and setting up independent workers action committees which will develop contacts with Renault and other car workers throughout the world. These committees would also make contact with workers in their regions and localities to oppose the global assault by big business on jobs and conditions on the basis of a programme of social and democratic ownership of the motor industry and the great corporations.



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