

# Germany: Blackmail tactics against Opel workers

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Not a day goes by without a new dramatic announcement of worsening prospects for GM and Opel aimed at intimidating and forcing Opel autoworkers to their knees.

On Tuesday, the vice chairman of General Motors, Fritz Henderson, declared that the company's European operations confronted immediate insolvency. "Every day counts," Henderson told journalists at the Geneva auto show.

GM European Chairman Carl Peter Forster added: "We have three plants too many in Europe." European production capacity is around 30 percent too high, he said, and the dismantling of 3,500 Opel jobs is unavoidable. Foster went on to demand wage cuts and added that all employees would "have to tolerate further losses of income."

General Motors increased its pressure on European governments and called for "burden sharing" from those countries where GM has plants. GM expects a sum of €3.3 billion from the German government and offered in exchange a partial stake in Opel shares.

On Wednesday, the German government reacted negatively to the GM "offer." In a meeting of the CDU/CSU (Christian Democratic Union-Christian Social Union) parliamentary group, Chancellor Angela Merkel declared that the ailing auto company was "not a system-relevant enterprise." There are "system-relevant financial institutions," but no "systemically important commercial enterprises," she said.

Opel cannot expect "special treatment," the chancellor explained. Management must submit a comprehensive rescue plan. Such a plan must clarify Opel's legal separation from General Motors and the return of patent laws that Opel had surrendered to GM. Then, a "second investor" must be found, and the plan must make a convincing case for the competitiveness of the new enterprise on the market, Merkel added. Finance Minister Peer Steinbrück (Social Democratic Party, SPD) also demanded a "viable concept for the enterprise," which so far he had been unable to detect.

On Thursday, the Ministry of Economic Affairs announced that the redevelopment concept for Opel was thoroughly

insufficient and had not even been coordinated with the US parent company in Detroit. The German economics minister, Karl-Theodor zu Guttenberg (CSU), made it known that the Opel executive had asked him to present their rescue plan to US Treasury Secretary Timothy Geithner during Guttenberg's trip to the US in mid-March.

## Plague or Cholera

Opel employees confront a situation where all the measures currently being discussed by management, the government and the trade unions are directed against them and inevitably involve huge attacks on jobs and living standards.

On the one side, the choir of those who reject any state support and argue that Opel should be allowed to go bankrupt is becoming ever louder. Cynically, they argue that it is unacceptable for billions in taxpayers' money to be pumped into a bankrupt auto company, when everyone knows there is overcapacity in auto plants in Europe and across the world, and it is inevitable that plants must close in the near future.

This argument used by economics experts such as Christoph Schmidt, the president of the Rhenish-Westphalian Institute for Economic Research (RWI), who is due to take up a seat in the "Council of Economics Experts." In the boulevard newspaper *Bild*, Schmidt called on the German federal and state governments to turn down aid for Opel. "I regard assistance for individual industries to be an utterly bad idea," Schmidt said. "Political leaders should not assume responsibility for deciding which companies are worth retaining and which not."

The CDU business wing puts forward similar arguments and is applying considerable pressure on the government and Chancellor Merkel.

Leading trade unionists, above all in those German states

where there are no Opel plants but instead those of rival auto companies, have made no secret that they regard an Opel bankruptcy as painful, but also inevitable. This was clear from a statement made by the main German auto union, IG Metall, in mid-February. *Spiegel Online* reported: "According to the IG Metall, the entire automobile industry in Europe confronts a profound period of contraction. The trade union leader in the state of Baden-Wuerttemberg, Jörg Hofmann, declared that painful cuts were inevitable." *Spiegel Online* quotes Hofmann: "As bitter as the truth is, we have too much production capacity in Europe."

When the chief executive at rival Volkswagen, Martin Winterkorn, declared a few days ago that his company would be able to profit considerably from an Opel insolvency, he knew he could rely on the support of the local IG Metall bureaucracy and VW's own factory councils.

On the other side, there are those backing a rescue plan for Opel based on state investment—a plan that has the support of the Opel works councils and sections of IG Metall. This plan is also directed against workers' interests.

The German government has laid down conditions for its support. In an accelerated procedure in December, the government made €500 billion available to the banks, without asking questions or making anyone accountable for the banks' criminal speculative transactions. Now, however, when the issue is the future of many tens of thousands of jobs, the government is demanding a "viable concept for the enterprise." Behind this demand is the drive to implement substantial job reductions, wage cuts and drastically worsened working conditions.

The Merkel government wants to use the Opel crisis as a crowbar to break up existing contract agreements and impose punitive cuts that will be applicable for all autoworkers and the working class as a whole. Its aim is to wipe out all the remaining gains as applied to wages, working conditions, breaks, safety standards and co-determination (*Mitbestimmung*) rights, which workers fought for in past decades.

In reality, the Opel rescue plan is a plan of attack. Workers and their families are to be returned to the type of conditions that existed directly after the war, with low wages and mass poverty prevailing. The implementation of the rescue plan inevitably entails huge cuts to wages and living standards, accompanied by the successive closure of major plants and factories.

To this end, the government is relying on close cooperation with IG Metall and works councils. The chairman of the Opel joint works council, Klaus Franz, who is also deputy chairman of the Opel supervisory board, continually declares the "readiness" of staff to accept concessions and sacrifice. All the details of phased job

reductions, short-time working and low wages are prepared by the union "co-managers" in the works council offices and trade union centers.

Parallel to this union-supported programme, the European Employee Forum (EEF), together with the local works councils, has undertaken to isolate and suppress any resistance by workers. This was the case in the one-week occupation of the Opel factory in Bochum three years ago, the closure of the factory in Portuguese Azambuja, and the winding down of the labour dispute in Antwerp, Belgium, in the summer of 2007.

## The socialist alternative

Workers are not responsible for the capitalist crisis and must energetically rebuff any attempts to make them pay for it.

The first priority is the defence of all jobs and the rejection of any sacrifices on the part of employees. Factory committees must be established that function independently of the trade unions, establish contact with other factories and workforces all over world and organise resistance.

The principled defence of all jobs must become the starting point of a political offensive aimed at establishing a workers' government. Such a government would expropriate the banks and major concerns, subject them to democratic control and place them at the service of society as a whole. Such a government would divert the billions donated by the Merkel government to the banks for the reorganisation of the entire economy and the creation of millions of jobs.



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