

# German union officials propose double-digit wage cuts for Opel-GM workers

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On Monday, the German press reported that the chairman of the shop stewards committee at the Opel factory in Eisenach, Harald Lieske, had declared that a double-digit cut in pay for workers at the plant was entirely feasible.

When questioned by the *World Socialist Web Site*, Lieske confirmed that he had made the offer of a wage cut on behalf of the factory's workforce. He insisted, however, that the media had reported only the first part of his statement. He had declared, "We are ready to make sacrifices," but added "but not sacrifices which lead nowhere." There had to be a guarantee regarding the future of the factory.

When asked why he regarded a guarantee for the future of the factory as realistic and credible under conditions where management retains full control over the fate of individual factories and where similar sacrifices in the form of massive pay cuts for US workers at Opel's parent company, General Motors, had not stopped the destruction of jobs, Lieske had no real answer. He wanted to make clear, he stressed, that the workforce is "ready to make its own contribution to saving the factory."

Lieske said his proposal had been discussed and agreed on at a meeting of factory representatives held last Saturday. A meeting of all European GM shop stewards councils is planned for Thursday, where once again the proposal will be discussed and a decision made whether such wage cuts will be supported at other GM plants in Europe. The meeting will also consider reductions in work hours, with a corresponding loss in pay, to meet the cost-cutting targets laid down by management.

When asked why he did not defend all jobs and wages, Lieske answered, "None of us has any doubt that personnel reductions are necessary" but they must

take place in a "socially compatible manner" and with the aim of maintaining the factory on a long-term basis.

In the run-up to the European meeting of Opel-GM representatives, the chairman of the company's joint works councils, Klaus Franz, told *Die Welt* that Opel employees must prepare themselves for job cuts and wage reductions as well as the sell-off of one of the company's plants in Germany. The likely candidate for such a sell-off is the factory in Eisenach.

Regarding speculation over the future of the Eisenach plant, Franz declared: "When we have overcapacity and this factory can be sold off, that would be the most elegant solution—both socially and politically." Franz did not rule out the sale of the factory to a financial investor, saying, "At the moment we cannot pick and choose."

This complete prostration before the auto companies and abandonment of any defence of jobs or wages exemplifies the role not only of German unions such as IG Metall, but of their counterparts in the US, Canada and around the world. They have set in motion an international race to the bottom, pitting the workers in one country against their brothers and sisters in other countries, and even pitting plant against plant within the same country. The German union bureaucrats are working in parallel with the auto unions in the US and Canada, in particular, to block any form of cross-border, united resistance by autoworkers.

Last Sunday, the Canadian Auto Workers (CAW) announced it had agreed on substantial concessions for GM workers, including a wage freeze and a reduction in holidays. In addition, GM workers in Canada will be expected to pay higher contributions for their pension and health benefits.

In the US, the United Auto Workers (UAW) has agreed to major cuts at Ford and is negotiating on

concessions at GM and Chrysler. The situation in Detroit makes nonsense of the argument of union officials in Germany that wage cuts serve to secure jobs. Wages for new-hires have been halved in the US auto industry in recent years, together with severe cuts in retiree health benefits. That has not prevented the closure of many more plants and the destruction of tens of thousands of jobs.

Likewise, the experience in the US refutes all talk about "equality of sacrifice." Instead of "burden sharing," the top executives at the American Big Three auto companies have lavishly lined their own pockets. In the mid-1980s, US auto CEOs earned 12 to 18 times the salary of an ordinary production worker. Since then, CEO compensation has risen astronomically. Today, top US auto executives take in up to 240 times the amount paid to newly hired workers.

The unions collaborate with the companies in shifting the entire burden of the crisis onto the backs of the working class. At the end of the downward spiral, not only are wages, benefits and pensions gutted, but jobs are decimated. And under conditions of the greatest economic crisis since the Great Depression, workers who lose their jobs face the prospect of a rapid descent into bitter poverty.

Wage cuts at Opel would set the stage for wage cutting throughout the economy and a massive and permanent reduction in the living standards of the entire working class.

There is no alternative to an all-out struggle against wage cuts, concessions and job cuts, directed not only against Opel-GM, but also against the government, which is demanding wage and benefit cuts as a precondition for state aid and credits.

Major class struggles are inevitable, and it is necessary that Opel and all other sections of workers make the necessary preparations.

The defence of all jobs and wages must be undertaken from a principled class standpoint. Workers—whether at Opel, General Motors or other companies—are not responsible for the global breakdown of capitalism. The claim that workers have "no alternative" but to accept mass unemployment and poverty wages is a lie.

It is necessary to mobilise in opposition to the existing system and take up the struggle for the socialist reorganisation of society to meet the needs of the broad mass of the population.

The first step must be a principled fight to defend all jobs and reject any and all attempts to make workers pay for the crisis. To this end, it is necessary to construct factory committees that function completely independently of the trade unions. Such committees must establish contact with other factories and workers all over the world to organise and coordinate united international resistance.

The principled defence of jobs must become the starting point for a political offensive aimed at the creation of a workers' government. Such a government would nationalise the banks and major industries and subject them to democratic control. Instead of pouring billions into the coffers of the German banks, a workers' government would invest billions to reorganise the entire economy and create millions of new jobs.

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