

The Opel rescue plan: Who is being rescued?

Ulrich Rippert
30 May 2009

In the extensive media coverage of the “rescue package” for General Motors’ German subsidiary, Opel, the most important question has been largely ignored. Who, in fact, is being rescued?

The German government, Opel management and the trade unions all seek to evade this question, implying that there exists an identity of interests between Opel workers and their bosses. They seek to give the impression that the Opel rescue is being undertaken in the interests of “all those involved.”

The details of the different rescue plans prove the opposite. Irrespective of whether Fiat or Magna gets control, the result will be a sharp reduction in jobs, wage cuts, cuts in break time and more shift work.

Each of the bids involves billions of euros in government assistance, which will be used to facilitate job cuts and the restructuring of production. Taxpayer money will be employed to increase the profits that go to the shareholders. This is what German Economics Minister Karl-Theodor von Guttenberg means when he speaks of a “viable company concept.”

The government is prepared to agree to state subsidies in large part because it faces national elections in September. It is hoped that this “transitional financing” will facilitate a smooth takeover of Opel until the next government comes to power.

The ruling coalition wants to avoid protests against job cuts at one or more of the Opel factories. Such protests could spark sympathy action by tens of thousands of workers whose jobs are threatened at German companies such as Karstadt, Schaeffler and Porsche. To this end, the government is working closely with the IG Metall union and the Opel works councils. Both the government and the unions know that the so-called “location guarantees” currently demanded from potential investors will be valid only

for the few months leading up to the elections. After that, the situation will look very different.

All of the parties, including the unions, are already agreed that production capacity in the automobile industry must be reduced. When the government’s current policy of subsidising auto sales ends in the autumn, the car companies will confront a dramatic contraction of demand.

The anti-working class content of the Opel “rescue” is most evident at plants outside of Germany. In Antwerp, 2,500 GM workers produce the Opel Astra. In the English towns of Ellesmere Port and Luton, 5,000 Vauxhall workers produce the GM Astra model. In the Spanish city of Zaragoza, 7,000 GM employees produce the Corsa. The Polish plant in Gliwice produces the Astra and Zafira models. The 3,600 workers there have been on short-time for months, and an entire shift has been cut. A further 250 workers will be dismissed in the next few days.

In the current negotiations in the German chancellery, the demand for the retention of factories in Germany means shifting the burden of the crisis onto workers at other European locations. In particular, IG Metall and the works councils are calling for a “German solution.” Their recent joint days of action in Europe were merely a cover for their nationalist policy. Klaus Franz, who chairs both the Opel joint works councils and the GM European works council, speaks unceasingly of the advantages of maintaining the company’s German factories.

For their part, the governments and unions of other European countries with GM plants oppose the German plan on similar nationalist grounds. On Wednesday, Belgian Prime Minister Herman van Rompuy sent an open letter to German Chancellor Angela Merkel and European Union Commission President Jose Manuel Barroso. In the letter, van Rompuy argued against a solution that favoured just one country, claiming it was

not in accord with the spirit of the European Union. Flemish Minister-President Kris Peeters denounced an agreement dictated by Germany that the other countries with GM plants would be obliged to follow.

Under the headline, “Europe Fears German Egoism,” the German business newspaper *Handelsblatt* reported that the British government had protested that the German Opel “rescue” plan would be at the expense of Britain’s GM subsidiary, Vauxhall. British Secretary of State for Business Peter Mandelson stressed that Vauxhall had already implemented significant cost reductions over the past few years.

Just last February, the trade unions at Vauxhall agreed to cut the workweek from 38 to 30 hours, with a corresponding cut in pay. A spokesperson for the Unite union declared that it was unacceptable that the increased competitiveness of the British factory was not being taken into account in the current negotiations.

The *Handelsblatt* article reported: “The criticism from EU member states leaves the federal government cold. According to German government circles, it is now too late to formally include other European partners.”

Economic nationalism is assuming ever more pronounced forms. In this respect, the British unions play an equally perfidious role as their German counterparts. Tony Woodley, the general secretary of Unite, attacked the British government for not taking a more vigorous stance against the German plans and called for a more aggressive defence of British interests.

In fact, the Opel “rescue” will have a devastating impact on workers at all locations. The works councils insist that there is no realistic alternative to concessions in the form of wage and job cuts. Whoever rejects this logic, the union bureaucrats argue, must be prepared to accept the immediate bankruptcy of the company, the closure of all plants and the destruction of all jobs.

In order to counter this blackmail, it is necessary to challenge the basic premises of the capitalist system. If it is not possible to defend jobs, wages and social benefits within the framework laid down by capitalism, then the economic system must be fundamentally changed.

The Opel “rescue” raises basic political questions and the necessity to prepare for a political struggle.

At the core of such a struggle must be the

implementation of an international socialist programme, which elevates the defence of the rights and interests of all workers above the profit interests of major shareholders and the financial aristocracy. Private ownership of large companies and banks must be abolished. They must be placed under common ownership. Companies must be organised and controlled democratically on the basis of the interests of workers and the majority of the population.

To achieve these aims, it is necessary to build a socialist movement that seeks to unite workers all over the world. As part of this struggle, it must fight, in opposition to the European Union, for the establishment of a United Socialist States of Europe. That is the programme of the International Committee of the Fourth International and its German section, the Partei für Soziale Gleichheit (Socialist Equality Party).

Such a political reorganisation of society cannot be achieved overnight. It must, however, be fought for in the course of the fight for immediate measures to defend jobs and wages, including strike action, mass demonstrations and factory occupations. This fight can proceed only in opposition to the official unions and on the basis of a political and revolutionary perspective. Workers must reject the narrow standpoint of trade unionism, which is wedded to nationalism and an acceptance of capitalism.

Factory committees should be elected that draw on the historical tradition of workers’ councils. Such committees must function entirely independently of the unions in order to organise united action with workers at other plants and in other countries and develop international resistance to the offensive of the employers and the capitalist governments.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact