

# GM Europe and the global fight for jobs

**Socialist Equality Party, Britain and Germany****14 May 2009**

The threatened bankruptcy of General Motors epitomises the social fate of millions of workers under conditions of global recession. It raises the burning necessity for a united offensive against efforts to place the burden of the capitalist crisis onto the backs of the working class, and for a political rebellion against the trade unions and their policy of economic nationalism.

General Motors only survives due to a combined \$21 billion-plus bailout by the Obama administration in the United States. As with the trillions squandered on bank and corporate handouts, however, the funds are not to safeguard the livelihoods of its tens of thousands of employees, but to guarantee the interests of the international stock markets and financial institutions. Consequently, GM is using its threatened insolvency to press forward with a massive restructuring operation in the US and to dispose of its European operations in Germany, Italy, Spain, Britain, Belgium, Sweden, France and Russia.

Only the mobilization of the entire workforce of GM—along with workers at its suppliers and at the corporations presently bidding for GM Europe—can defeat such a global onslaught.

Support for such an offensive exists amongst auto workers. In France “bossnappings” are one expression of widespread anger and a spirit of resistance, especially in the auto industry. Workers have mounted occupations and industrial actions at Visteon in England and Northern Ireland, Caterpillar and Continental tyres in France including joint protests with workers in Germany, as well as protests at threatened Fiat plants in Italy.

But the unions throughout Europe, like the United Auto Workers (UAW) in the US, have worked to suppress all such actions. They have lined up behind “their” governments and competing corporations to demand “their” national industry is safeguarded at the expense of workers in other countries. In return, the

unions are offering to help restructure Opel, Vauxhall, Saab and their suppliers by imposing job losses, speed-ups and cuts in wages and pensions.

GM Europe directly employs 55,000 workers, with the largest concern being Opel. The Italian car company Fiat, which employs over 80,000 people, is the favoured bidder for Opel. Having recently taken a share in the bankrupt Chrysler company, Fiat’s plan is to create a separate \$106 billion company that will be one of the world’s “Big Five”.

Any such move will be at the direct expense of auto workers. A leaked plan revealed that discussions in Germany initially proposed 18,000 job losses and the closure of 10 assembly and component sites. German jobs would be prioritized, while the entire Vauxhall operation in the UK employing over 4,000 would be closed. Opel’s sole plant in Belgium, which employs 2,600 workers, would also be shut, along with plants in Spain and Austria and three Fiat factories in Italy and Poland. Even so, there would still be mass redundancies and possible closures in Germany.

This is just the tip of the iceberg. Hundreds of thousands of jobs are on the line in related industries. There are 12 million jobs dependent on the auto industry in the European Union, which is the world’s largest producer of motor vehicles. Over seven million jobs are dependent on auto manufacture in the US.

In what amounts to a major shakedown operation, Fiat head Sergio Marchionne went straight from his negotiations with the German government and trade unions to discuss with the Brown government in Britain and the Unite trade union. Fiat is pressing for up to seven billion euros in subsidies and loan guarantees, along with major concessions from the trade unions. Without this, the company’s prospects are grim. Its debt in recent months has soared to \$8.6 billion and its bonds have been downgraded to junk status.

Fiat hopes to exploit both national antagonisms

within Europe and the collective desire of European capital to compete with the US and its other major rivals. Any government aid forthcoming will only be to aid major cuts and the pursuit of a trade war.

The trade unions share this outlook and are hostile to any cross-border struggle by auto workers that would jeopardize the close relationship between the unions, governments and the corporations.

In Germany, IG Metall is supporting a rival bid for Opel by Canadian-Austrian auto supplier Magna. In Britain, Unite is concerned solely with the fate of Vauxhall, while the Italian unions complain that Fiat is not sufficiently prioritizing national interests. In France, the CGT union campaigns for a “sales offensive” by Renault, while complaining that buying cars from other countries is ecologically unsound.

The nationalism of the trade unions is exemplified by the European Trade Union Confederation’s decision to organize European Action Days between May 14-16 in Madrid, Brussels, Prague and Berlin. The confederation is not proposing a pan-European action, instead urging that a “New Deal” is struck with the various governments. The demonstration organised by Britain’s Unite makes no mention of the situation facing European workers, calling for “Action by our government to defend manufacturing on the scale of our EU competitors”.

The trade unions are not workers’ organizations. The income and privileges of the trade union bureaucracy is entirely separate from the fate of those workers it nominally represents, and it is fully integrated into the structures of corporate management and the state. This finds its most finished expression in the UAW’s potential majority share in the proposed new Chrysler corporation, and its assumption of direct responsibility for pushing through job and wage cuts, and the gutting of health and pension benefits.

This transformation of the UAW into a business enterprise is not merely an American phenomenon. In Germany, trade union representatives occupy half the seats on the Opel supervisory boards and work hand in glove with company management and the government. During the recent wave of job losses at BMW in England, trade union representatives admitted that they had concealed the planned redundancies from their members until the last moment.

Whatever the immediate outcome of the fight for GM

Europe and its various sectors, no job is secure. Workers are being pitted against one another in a fratricidal race to the bottom, in which there will be no winners.

The comparisons between the present world economic crisis and that of the 1930s must sound a warning. Once again, capitalist breakdown is leading to the growth of economic nationalism and protectionism, threatening trade and military war.

The auto companies must be taken out of the control of the private corporations and transformed into public utilities, democratically owned and controlled by working people themselves. Only on the basis of a socialist perspective is it possible to defend modern auto production facilities and produce environmentally friendly and affordable autos while developing a new viable transport model for the future.

The struggle against globally organised corporations must itself be international. Only by marshalling the immense resources of Europe’s highly integrated economy is it possible to meet social needs. This means the fight for the United Socialist States of Europe as an integral component of a broader appeal to workers in the US, Asia, Latin America and throughout the world for class unity in the face of the common enemy.

This perspective can only be realised through new independent rank and file organisations, formed in a root and branch rebellion against the trade union leadership that functions as a fifth column of management. It requires the building of new internationalist and socialist parties of the working class throughout Europe, as sections of the International Committee of the Fourth International.

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