Unions systematically divide Opel, GM-Europe workers

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On Wednesday representatives of General Motors (GM) presented three rival take-over bids for Opel and GM-Europe to the German government in Berlin.

The bids have been made to the GM headquarters in Detroit by the Austrian-Canadian auto supplier Magna, the RHJ holding company headed by the US private equity firm Ripplewood Holdings, and the Chinese auto company BAIC.

All three involve massive attacks on the 48,000 employees at GM factories in Germany, Britain, Belgium, Spain and Poland. More than a fifth of all jobs Europe-wide are to be axed, with a huge knock on effect in the auto supplies industry. Wages and social benefits will be drastically cut.

Magna plans the biggest cuts—11,600 jobs, compared with 9,900 proposed by RHJ and 7,580 by BAIC. Nevertheless, the works councils and the IG Metall trade union in Germany have undertaken a concerted campaign at the four German Opel factories in favour of a take-over by Magna. This is because Magna has pledged to favour German plants and limit job cuts at Rüsselsheim, Bochum, Kaiserslautern and Eisenach to a total of 2,500. The Chinese auto concern BAIC and the finance company RHJ plan to cut 3,000, and 3,900 jobs respectively in Germany.

From the start, the German works councils have sought to ensure that the main burden of an Opel "rescue plan" be shouldered by European plants outside Germany. Even the name "Opel-rescue" indicates that German factories are to be favoured at the expense of plants in other countries. The Magna plan envisages the possible factory closures in Antwerp, Belgium and Luton in the UK.

This information, however, has only been released in Germany. In Britain, on the other hand, Magna maintains it will safeguard UK production for three years in order not to endanger its demand for £500 million credit from the British government. This demonstrates the real meaning of the promises of "guaranteeing plants". As soon as the deals have been struck and governments have handed over their subventions, all of the promises will be swept aside.

In many respects, Magna has put forward the worst of the three offers. The company is demanding €4.5 billion in state grants and credits, while RHJ is asking for €3.8 billion and BAIC, €2.6 billion. RHJ has stated its intention to repay state credits within five years and to withhold paying any dividends over the same period.

In a letter to German Opel workers which was also leaked to the press, the head of the company's joint works council, Klaus Franz, sharply attacked the RHJ plan, declaring it to be a Trojan horse for General Motors. The RHJ plan was drawn up by GM, Franz argued, and the near 40 percent ownership by GM is just the first step to reorganising "New Opel" under the wing of GM—after profiting from the German tax payer.

Franz threatened "massive protests by the works councils and the IG Metall" should the RHJ offer be accepted. "Then we will take to the barricades."

The same works councils that have refused to organise any sort of struggle to defend jobs over the past months are now seeking to mobilise German workers in support of a plan to cut 12,000 jobs and decimate wages and working conditions.

The vehemence with which Franz is campaigning for Magna is due to the fact that the works council has struck a lucrative deal for itself with the company.

The works council has agreed to the destruction of 11,600 jobs, cuts in wages and doing away with holiday pay, Christmas bonuses and other benefits, including the employer's contribution to pension plans and overtime pay. Workers will be expected to accept greater flexibility on work hours and productivity, and breaks are to be cut. Low paid temporary contracts employees will be increased to up to 30 percent of the workforce.

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The European works council, also chaired by Franz, has also sought to intimidate workers, sabotage any resistance and play off workers in one country against those in another.

In exchange, Magna has offered the German works councils a 10 percent share in the revamped Opel/GM Europe. Works council members—who are already privileged and allowed to carry out their trade union functions full time for a considerably higher wage than that earned by other workers—will be transformed from "co-managers" into company owners.

The money saved through job, wage and benefit cuts will be diverted into a company fund controlled by the works council. Franz was appointed chairman of the new company at a June 5 joint works council meeting. Leading functionaries from the four factory works councils in Germany will function as executive members. The workers will have no voting rights.

The involvement of the Opel works councils in directly taking shares in the company represents a qualitatively new stage in the degeneration of the trade unions. They cannot be regarded as organisations which have even the slightest attachment to the working class.

The situation is comparable to the evolution of the Stalinist bureaucracies in the former Soviet Union and Eastern Europe. Twenty years ago, privileged bureaucrats throughout the Soviet bloc feverishly transformed themselves into a new bourgeois layer. The trade unions are no longer content to function as mere servants of big business, but strive to join the bourgeoisie as company shareholders and owners.

It is noteworthy that the chairman of the IG Metall, Bertold Huber, stressed in an interview with *Der Spiegel* that he was an "old-89er" rather than a "68er". He described how the reintroduction of capitalist exploitation in Eastern Europe had left a lasting and positive impression on him.

In order to realise their aims, the trade unions and works council are working intimately with company management, employer federations and the German government. They regard their main task as the suppression of any opposition from the workforce. The bureaucracy rode roughshod over basic democratic rights, using gangster tactics of manipulating votes and switching off the microphones of those who opposed their plans at union meetings.

The defence of jobs, wages and social benefits requires a rebellion against the unions and their organisational structures in the factories. It is necessary to build independent factory committees, which must establish close links with workers in factories in other countries to prepare joint measures of resistance.

The aim of such a mobilisation must be the unconditional defence of all jobs at all plants. The oppressive contracts and concessions agreed to by Franz and his cohorts must be repudiated. None of the bureaucratic junior partners of GM/Magna has the right to speak for or act on behalf of the workforce.

The fate of GM employees is shared by millions of workers worldwide. This is why the defence of all jobs and wages at GM-Europe must become the starting point for building a broad front against the policy of social devastation being pursued by the ruling class. This requires an international socialist program.

Resistance against planned redundancies in the form of strikes and factory occupations must be the first step towards a fundamental transformation of social relations.

The dictatorship of finance capital and the banks must be broken by nationalising the major financial institutions and placing them under the democratic control of the working population.

The auto companies must be transformed into genuine publicly owned concerns under the democratic control of workers. Only on this basis will it be possible to further develop the economy and serve the interests of the broad mass of the population, rather than big shareholders and private profit.

In order to implement this program, workers need a new party. This is why the German Socialist Equality Party (PSG) is taking part in the forthcoming German parliamentary election. The PSG works closely with its fraternal organisation in Great Britain, the Socialist Equality Party (SEP), and supporters in other European countries to unite the working class across national boundaries in a common struggle for socialism.

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