

Works councils and unions implement GM's European "restructuring" plan

Dietmar Henning
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The massive job cuts at Opel and Vauxhall in Europe are taking shape. The works councils and unions are playing a key role in implementing GM's "restructuring" plan. They are helping to work out the details of the cuts in jobs, wages and social benefits, while at the same time playing off the workforce of one plant against the others. They are also working closely with the respective governments, helping to push billions in taxpayers' money into the coffers of General Motors.

In early February, Opel CEO Nick Reilly announced GM was cutting 20 percent of all jobs. In Europe, almost 10,000 workers would lose their jobs. The remaining 40,000 GM employees then face pay cuts totalling €265 million per year. Reilly also demanded €2.7 billion in grants and guarantees from the European governments with Opel sites in their countries. GM did not originally plan to use its own money for the job cuts. Meanwhile, GM's head announced the company would provide €1.9 billion.

While the works councils in each country seek to placate Opel employees and point to the negotiations they are conducting, behind workers' backs they are working to implement Reilly's demands.

In the Opel plant in Zaragoza, Spain, the trade unions, management and the Spanish government of Jose Zapatero have agreed to cut 900 jobs. The agreement provides for this to be done with "social responsibility," said union representative Ana Sanchez. Temporary contracts will not be renewed; older workers are being urged to retire "voluntarily." Reilly explicitly thanked the Spanish government, which has "enabled the agreement between management and unions."

The agreement will allow the Spanish government to support GM financially. The Zapatero government had made its financial support for GM conditional on the company and union reaching such an agreement.

Last Friday, the Labour government announced that Britain would be the first European country to provide GM with a guarantee of close to €300 million for the job cuts. "We are very pleased with the support of [Business

Minister] Lord Mandelson and the British government, who have demonstrated their faith in our company," Reilly said. The British trade union Unite has welcomed this financial guarantee for GM. Unite has also agreed to the reduction of 369 jobs at the Vauxhall plant in Luton.

In Germany, negotiations have proved a little more complicated, since the various works councils are playing off the four plants against each other. But this changes nothing when it comes to pushing through the attacks on jobs and wages, however. In Germany, it is mainly the leaders of the works councils in Bochum, Rainer Eienkel, and in Rüsselsheim, Klaus Franz, who are behind these divisions. The two other German Opel plants, in Kaiserslautern (2,300 employees) and Eisenach (1,800 employees), will each see 300 workers losing their jobs. At the main plant in Rüsselsheim, 1,639 of 16,000 jobs hang in the balance. In Bochum, of around 5,000 jobs currently existing, 1,799 face the axe.

A major issue in the current struggles is the fate of the plant in Antwerp, Belgium. Reilly had announced the closure of this plant, with its approximately 2,500 workers losing their jobs. Klaus Franz, who in his capacity as European Central Works Council leader works closely with the Belgian Works Council chair Rudi Kennes in Antwerp, disagreed vehemently.

But the opposition of Franz and Kennes is purely tactical and has two main goals. Firstly, the European Works Council wants to present the formal, and temporary, continuation of a portion of the production in Antwerp as a success and so justify its support for job cuts and wage reductions at all other locations. Secondly, only by preserving the Antwerp plant, at least symbolically, could tax funds be obtained from Belgium. The Belgian government had promised €500 million if the local plant were maintained.

The money from Belgium appears all the more important since it is not certain whether the German government will participate in funding support for GM. Nevertheless, the Free Democratic Party (FDP), which is now part of the

government and holds the economics portfolio, has always spoken against funding for Opel and regarded insolvency as the “cleanest solution.” A few days ago, Economics Minister Rainer Brüderle stated that the GM application for state aid for Opel left many questions open.

Franz Kennes and other representatives of the GM European Works Council had therefore presented a concept that maintained a residual holding in the Antwerp plant, according to which up to 1,000 workers would lose their jobs. The plant would be sold to an investor, and GM would keep a minority holding of 20 percent. The Belgian plant would produce Astra models and would also seek outside customers.

Whether this plan is ultimately adopted is more than doubtful. A company spokesman said only that the concept would be examined. According to Kennes, GM is insisting that an investor be found by June. But this timescale is said to be much too short.

If things proceed according to Franz and Kennes, production of the Astra would be transferred from Bochum. In response, Eienkel declared on Monday at a factory meeting that he would “not allow Antwerp to be saved when our own factory falls by the wayside.” In a recent memo to workers at Bochum, he wrote, “[C]ancelling production that has already been promised places a further 1,000 jobs at risk in Bochum. That would mean slow death for the Bochum plant.”

Zeit Online commented, “To talk about his factory being in mortal danger and then to declare its survival afterwards as a success: It is a strategy that Eienkel uses again and again.” In fact, during Eienkel’s time in office over the last five years, more than half of all jobs in Bochum have been dismantled. In early 2005, after a strike by the Opel Bochum employees against the will of the works council, Eienkel signed the so-called European Pact for the Future. Since then, of the original 10,000 jobs not even 5,000 remain. Wages have been gradually reduced. Now at least an additional 1,800 jobs are to be cut and wages reduced further. The “creeping death of the Bochum factory” has long been in full swing.

In a recent statement drafted for the works council election Eienkel said, “We can prevent the threatened closure of Bochum. Without our contracts for the future we would have been the first candidate for closure.” Eienkel well knows that the Antwerp Works Council has signed the same contract.

The systematic division of the workforce and the nationalist propaganda of the works councils are getting sharper. In his message to the workforce in early March, Eienkel explicitly spoke against “representatives of the Belgian government” who “continue to spread the

nonsense” that “Antwerp was more economical than Bochum. Exactly the opposite is the case.”

In newspaper interviews, Eienkel added that Astra production for Antwerp could also come from Rüsselsheim, where Franz heads the works council. Here, next to the Insignia, the Astra five-door model will be produced from 2011. The model is considered as a replacement for models produced for the GM subsidiary Saab, which will now cease in Rüsselsheim as a result of the sale of the plant.

While Franz, Eienkel and other works council leaders play off workers at the different plants against each other, they work closely together with their respective governments at the state and national level. Klaus Franz, who in the early 1970s had joined the group “Revolutionary Struggle” around former Foreign Minister Joschka Fischer (Green Party), is now closely associated with Chancellor Angela Merkel (CDU, Christian Democratic Union). Meanwhile, Rainer Eienkel, former member of the DKP Stalinist Communist Party, is seeking a united front with North Rhine-Westphalia Premier Juergen Ruetters (CDU).

This local chauvinism is aimed directly against the workforce, to prevent any joint initiatives to defend all jobs and wages.

The fight against globally operating corporations requires an international socialist strategy. In order to break the influence of the works councils, trade union bureaucracy and their nationalist politics it is necessary to establish independent factory committees. These must take up contact with all European GM plant workers, GM employees in the US and with workers in other auto factories and industries. The close cooperation of GM workers must become the starting point and an integral part of a broad movement of the working class for a workers’ government.



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