

GM and French trade unions force through wage cuts

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General Motors workers at the Strasbourg plant last month were blackmailed into voting for major concessions demanded by GM and the US government, which owns 60 percent of the carmaker, and backed by the French government and the trade unions. Workers were told they would have to accept a wage cut of 10 percent or the plant would be closed and production transferred to GM Mexico.

The factory, which is located in eastern France and employs around a 1,000 workers, was initially spun off as part of the forced bankruptcy and restructuring of the giant automaker last year by the Obama administration. The “new” GM, which emerged from bankruptcy, said it would only take back the Strasbourg site if all the unions signed up to the wage-cutting deal—which they dutifully did.

Lacking any confidence that the unions would organize a struggle to defend their jobs, workers voted by a 70 percent margin to accept the deal.

Last year’s restructuring of GM by the Obama administration was carried out with the full collaboration of the US auto union, the United Auto Workers (UAW). This led to the closing of dozens of GM plants in the US and internationally and the elimination of tens of thousands of jobs. In exchange for its collaboration—which included cutting the wages for new hires in the US by half—the UAW was given a 17.5 percent ownership stake in GM.

Based on the government’s vicious cost-cutting, GM recorded a €1.02 billion (\$1.3 billion) profit in the second quarter and is preparing an initial stock offering, which expected to net hundreds of millions in fees for Wall Street.

In Strasbourg, the French unions—the CFDT (French Democratic Labour Confederation), Force Ouvrière (Workers Power) and CFTC (French Confederation of

Christian workers)—backed the deal. The CGT union (General Labour Confederation—closely aligned to the Stalinist Communist Party, PCF) first postured as an opponent of the deal but quickly joined the lineup against the workers. It signed a separate deal with the company on July 28, declaring in bureaucratic doublespeak that, “the CGT reaffirms that it will not sign the July 23 agreements, *but it will commit itself to not contest them, in any shape or form.*” (emphasis added)

The deal freezes wage increases for two years, cuts the present sixteen rest days per year by a third (a *de facto* tearing up of the legal 35-hour week), and allows no profit sharing until 2013. The company claims to have full order books until 2014, and has “promised” to maintain all the jobs at the plant until then.

However, within hours of the vote GM made clear its intention to go even further, by introducing total flexibility of working hours on a yearly basis (annualisation) thus cutting out overtime pay for weekend work. Many workers who had voted “yes” were enraged by this declaration whilst the trade unions cried foul, feigning shock, as this was not in the concessions document handed to the workforce before the vote. The company insisted, however, that the unions had been aware of its intentions.

The CFDT majority union representative in Strasbourg, Jean-Marc Ruhland described the workers’ vote as “good news” because “if we say no, they will go elsewhere.” As a consequence the CFDT “has tried to find a solution to reduce the wage bill in a way that does the least harm to the workers.”

The CGT sought to cover itself by calling for a “no” vote while opposing any struggle to defend workers’ jobs and living standards. CGT plant representative Robert Roland demagogically denounced the company

“blackmail,” adding, “we refuse to sign a blank check to the GM management... In any case the role of the unions is not to bring down wage levels. We do not have to compare ourselves to workers who are exploited in Mexico, China or wherever.”

In fact, the role of all the unions has been exactly to bring down wage levels. At the same time they have promoted economic nationalism. All unions are engaged in wage cutting, as witnessed by the Continental Tyres where CGT pushed through an uncompensated increase from 35 to 40 hours a week in 2007 supposedly to “save” jobs, only to have workers lose them in 2009.

Last year, the CGT betrayed the struggle of the Total oil refinery workers in Dunkirk. Workers at the New Fabris auto parts company in Châtellerault lost their jobs in 2009 after being betrayed by the CGT. At the time CGT plant representative Guy Eyerman acknowledged, “I have the impression of being abandoned by my trade union leadership, the CGT is dead...”

There are many other examples of CGT collaboration with employers and government, especially since it signed with the CFDT, the government and employers the “Position Commune” document, which abandoned the 35-hour week while enhancing union officials’ career prospects.

The complicity of the unions and their supporters in the middle class “left” parties derives from their full integration into corporate management and the state. The unions collaborate with the corporations based on their mutual drive for profitability and international competitiveness. The unions have also closely collaborated with President Nicolas Sarkozy in implementing austerity programmes, which are either openly or tacitly supported by the Socialist and Communist parties. Meanwhile the unions have isolated and betrayed every action by workers to resist sackings and the destruction of working conditions at Continental Tyres, Total refineries, Goodyear in Amiens and many others.

More broadly the unions in Europe have been vying with each other on a nationalist basis to keep a GM presence in their respective countries, or even regions, by bidding down wages and seeking to close the gap with the wages paid to brutally exploited workers in Asia and Latin America. Like its counterparts in the US

and France, the German union IG Metall gave the green light for the shutdown of the GM plant in Belgium by cutting labour costs in the German plants by €265 million a year. This was the precondition for GM receiving the promised €1.8 billion subsidies from European governments.

Workers can only defend their livelihoods and rights by fighting with a perspective that rejects nationalism and the profit system. This will require developing a common international struggle against the transnational corporations and the governments that back them, based on a fight to reorganise the global auto industry on a socialist basis under the democratic control of the working class. The development of such a fight requires a break with all the trade unions and the establishment of new organisations of industrial and political struggle.



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