Sartorius report: French government backs mass layoffs at auto maker PSA

Pierre Mabut 15 September 2012

The Socialist Party (PS) government's report on auto maker PSA Peugeot-Citroën was published on September 12 and presented to trade union leaders summoned to the finance ministry.

The report, authored by civil servant Emmanuel Sartorius, supports PSA's plans for mass layoffs while criticizing PSA's dependence on shrinking European markets. The government initiated the Sartorius report to stem workers' anger and encourage illusions that workers could rely on the PS to save the threatened Aulnay-sous-Bois plant and the 8,000 jobs PSA plans to cut. The Sartorius report puts paid to hope the PS government will defend the workers.

The report seeks to divide the auto workers along national lines, criticising PSA's plans to close Aulnay by suggesting that the plant in Madrid—which Sartorius describes as "old, of feeble capacity, located in the city and far from parts suppliers"—is a better target for closure.

The report describes a fall in sales that "is continuing in 2012." It continues, "The phenomenon affects PSA all the more heavily because it heavily affects three main markets: France, Spain and Italy, the last two being struck moreover by the financial crisis. As to the prospects for recovery, they still seem uncertain and far off."

The report then contradicts this somber forecast and seeks to fool workers about a future recovery of sales and the maintenance of the remaining jobs. After workers have made sacrifices for competitiveness and a reduction in labour costs, the report contends, there will be a positive future for car manufacturing. "The recovery plan presented by the PSA management must allow the group to recover a balanced operational cash flow in 2014. It is also at this horizon that we can hope for a recovery in the European automobile market," it

states.

To this end, the report urges PSA to pursue an alliance with another big auto manufacturer. This refers to PSA's link to General Motors, which has slashed wages and thousands of jobs in the US, with the help of the United Auto Workers union. (See, "French unions prepare to back cuts in PSA-GM tie-up")

The unions reacted to the report by feigning shock at the government's change of tone. Industrial Recovery Minister Arnaud Montebourg, who in July criticized PSA plans for layoffs as "unacceptable," accepted the Sartorius report.

The unions have stalled any worker mobilization to fight PSA's plans on the basis of placing confidence in the government's intervention.

The CFDT leader François Chérèque, the most open defender of corporate competitiveness and cutting labour costs, gave PSA carte blanche, declaring the need to "limit the damage to the maximum".

CGT leader Bernard Thibault reacted to the Sartorius report in a *Le Monde* interview, in which he announced that he would wait for the unions' Sercafi agency to publish its own findings on October 15. He called for more integration of the unions into management structures, an echo of the UAW's role at GM.

The CGT (General Confederation of Labour) has merely called a one-day protest on October 9 in Paris.

Workers in the fight to defend jobs at PSA and elsewhere in Europe can place no confidence in the government, the trade unions or their ex-left defenders. At PSA their "strategy" is to get some of the nearly €5 billion PSA paid out to its investors, not the independent political mobilization of the working class in defence of jobs.

The CGT delegate at PSA Aulnay, Jean-Pierre Mercier, proposed that the workers place their hopes

entirely on an intervention by the government in their favor. He said the state must "block the layoffs" and President François Hollande must "get his shirt wet" and make an effort to save jobs.

Speaking to news magazine *L'Express*, Mercier signaled that he was preparing to sell out a struggle with plans for a plant shutdown and severance packages. After issuing *pro forma* assurances that "I will never accept to negotiate the layoff of a worker," Mercier continued: "If we are really obliged to sell our skins, then we'll sell them for the highest price possible, with guarantees of redeployment, training and decent severance payments."

Mercier, who is also a leading member of the petty-bourgeois *Lutte Ouvrière* (Workers Struggle—LO) group, is trying to repeat the policy that LO carried out at Continental Tires' Clairoix plant in 2010. There, some 1,200 workers were sacked with a paltry €50,000 severance package and their struggle sold out, despite widespread public support.

LO has posted no comment on the Sartorius report, though its members are deeply involved in the union bureaucracy's manoeuvres with PSA management and the PS government.

The unions, aided by the all the petty-bourgeois "left" parties, lined with the CGT rally in April to get President Hollande elected on an austerity program. They still falsely claim this to be a government of the "left".



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