Unions approve closure of PSA’s Aulnay plant in France

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On Monday, the unions voted to accept the closure in 2014 of PSA Peugeot-Citroën’s factory at Aulnay, north of Paris, cutting 3,000 jobs directly and 11,214 jobs throughout France.

This is the first closure of a major car plant in France since that of Renault's Boulogne-Billancourt factory in Paris in 1992. It is an alarm call for the entire working class. It is part of the Socialist Party (PS) government’s attempt to make French industry competitive by massively stepping up the exploitation of the working class.

Minister for Productive Renewal Arnaud Montebourg stated that the closure is “unavoidable,” while Peugeot CEO Philippe Varin said: “We have a shared goal, because if this company remains too long in intensive care, the impact is huge because we represent two-thirds of car production in France.”

Last week, unions also signed a major concessions deal with Renault, France’s other major auto company, cutting 7,500 jobs, imposing a salary freeze and a 6.5 percent extension of working hours in exchange for promises not to shut plants until 2016.

In both cases, the Communist Party-aligned CGT (General Confederation of Labour) declined to sign the agreements. This was, however, only a cynical gesture—for months it had participated in talks with employers and other unions, including FO (Workers Power), the PS-aligned CFDT (French Democratic Confederation of Labour). It did not seek to mobilize the working class in opposition to the austerity policies of the PS government, which it supports.

Instead, CGT withdraws at the last moment to try to avoid taking responsibility for the concessions it helped negotiated, then contributes to stifling opposition in the working class.

The CGT backed Hollande’s election last year, fully aware that his competitiveness and austerity policies were designed to make the working class pay for the crisis.

Where workers have sought to fight, the CGT has left them isolated. At Aulnay, some 500 strikers have been occupying the site since January 16, blocking production of 20,000 cars. They have been harassed by company officials and the police; six face prosecution or dismissal on trivial charges.

The signing of the deal is a devastating exposure of the bankruptcy of those who claimed that jobs could be defended simply by carrying out plant-by-plant protests under the control of the CGT. This includes the CGT leader at the site, Jean-Pierre Mercier, a leading member of the pseudo-left LO (Workers Struggle) group.

At Monday’s protest outside the PSA head office, Mercier demagogically claimed that deals signed by the other unions would not stop Aulnay workers from “fighting to the very end.”

When newly elected CGT General Secretary Thierry Lepaon visited the occupation on March 1, Mercier made no criticism of the CGT’s talks with the government and made no call for Lepaon to broaden the action. The CGT-Aulnay site’s March 1 bulletin, as with the LO web site on March 15, does not call for extending the fight against PSA’s plans.

Protesting workers held up handmade banners proclaiming “No to closure.” However, the union executives have accepted the principle of the shut down and are simply trying to modify its terms.

The acceptance of job losses or the closure of Aulnay is a betrayal, devastating working class areas around the plant—where many families and small shops depend on PSA for their income.

Peugeot CEO Philippe Varin announced that this job-cutting plan is only the start, commenting, “We will have to continue to improve our competitiveness.” Referring to Renault’s agreement last week with the unions, he said: “We will have to go the same way.”

He added, “You’ve seen the first round of plant closures like Aulnay, Opel’s Bochum site in Germany, and Ford in Genk [in Belgium]....But far more is needed.”

Such plans for wide-ranging cuts expose the necessity of a common struggle of all auto workers against job cuts, and the criminal complicity of union executives who are isolating struggles against cuts in the auto industry to individual plants.

Nor is it simply a question of cuts facing workers in the auto industry. As the *Financial Times* pointed out on March 18, “Peugeot and Renault’s workforce reduction plans have also become test cases for France as it tries to improve the competitiveness of its manufacturing industry.”

The continuing decline in new car sales—10.5 percent on average in the European Union, 12 percent in France and 13 percent for PSA since February 2012—has reportedly cost PSA losses of €200 million per month, which it pledges to staunch by 2014. This is based on the prediction, considered unrealistic by many experts, that car purchases will rise in 2014. EU car sales fell 9.5 percent in the first two months of 2013.

Many car workers at Renault and PSA have commented that they themselves can’t afford to buy the cars they produce. EU governments’ imposition of ever-greater austerity, contributing to the huge rise in unemployment throughout Europe—over 30 percent in Greece and Spain and a projected 11 percent in France next year—is a major element in the collapse of car sales.