GM and German metal workers union collaborate against Opel workers

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Last week's visit by the 15-person board of directors of General Motors (GM) to Germany has made clear what is at stake at Opel. The announcement by GM CEO Dan Akerson that 4 billion euros would be invested across its European locations—a declaration that received considerable coverage in the media—is not aimed at expanding production, let alone securing the jobs of workers, but part of a strategy to increase the exploitation of its global workforce.

The closure of Opel's factory in Bochum is central to this plan and a prelude to a fundamental restructuring of GM's European operations using the deep wage cuts of American workers as a benchmark. Current production costs are to be sharply reduced by relocating production and development facilities to Eastern Europe and permanently cutting wages, benefits and jobs of remaining workers in the west.

Corporate management is working closely with the IG Metall union and the works councils at various plants. Many of the proposals for cutting labor costs and increasing productivity were planned in the union's offices. The collusion that has taken place is being kept strictly secret, but the past few months make clear that the company, works council and IG Metall are involved in a conspiracy against workers.

Facing declining sales figures in Europe, GM tried to get rid of its German factories three years ago. But the sale of Opel to the Canadian firm Magna and Russia's Sperbank was halted at the last minute. The decision was bound up with a massive intensification of exploitation in GM's US factories.

In close collaboration with the Obama administration and the United Auto Workers (UAW) trade union, GM used the economic crisis to lay off 31,000 workers, slash the wages of new hires by 50 percent, destroy long standing protections against speed up and eliminate overtime payments after eight hours of labor. As a result, GM announced record profits in 2011.

The global strategy of GM is based on the assumption that production methods in Europe must be rationalised along the lines of the United States. The cooperation between the UAW and IG Metall has been critical in this process.

Last March, UAW head Bob King was put the board of directors of Opel, where he works closely together with Opel works council leader Wolfgang Schäfer-Klug. Schäfer-Klug replaced long-time head Klaus Franz only a few months before, and took over the position of deputy chair of the board of directors.

King and Schäfer-Klug understand each other brilliantly. King is the son of a human resources director at Ford, a dyed in the wool proponent of "labor management partnership" and a vicious opponent of workers' struggles. He illustrates the transformation of the UAW into a tool of management and the government.

Schäfer-Klug, an academic, was hired as a consultant by the works council and now works as the works council head closely with IG Metall chief Berthold Huber. As chair of the works council and deputy chair of the board of directors he plays a central role in Opel's management.

When Schäfer-Klug presented the "Germany plan" last summer together with Huber, they both noted that everything had to be done to secure the "strengthening of the Opel brand." The "Germany plan" was the trade unions' own plan for the restructuring of Opel, which proposed extensive rationalisations, including job cuts, the lowering of wages and elimination of social benefits.

As a first step, the unions agreed to suspend a 4.3 per cent wage increase, which saved the company at least

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19 million Euros. In parallel the unions began talks on the “master plan” of further concessions. The workers in Bochum, who had a long history of rebellion and struggles in opposition to IG Metall, were considered as a thorn in the side of the union and their plant was targeted for closure. IG Metall took over the imposition of the plan and began a game of cynical double-dealing.

IG Metall suggested that the closure in Bochum should be linked with a plan for future growth at all other facilities in Germany. This was aimed at suppressing opposition from workers at other factories and keeping the Bochum workers isolated. In addition, the plan to stop production of vehicles in Bochum by the end of 2014 was concealed with a vague and non-binding commitment to a guarantee a future for the factory until 2016.

On 28 February IG Metall announced its “agreement at Opel.” The press release was headlined with the words, “IG Metall and company management conclude master contract. All German locations secure. A growth plan for the Opel brand.” IG Metall claimed shamelessly that, “All factories in Germany will remain, and the workforce will be exempt from job cuts for operational reasons until 2016.” The paragraph on Bochum was particularly cynical, declaring, “It was particularly challenging in these negotiations to secure a future for the Bochum factory.”

The press release went on, “With the agreement now achieved, the closure of the factory was prevented. Bochum remains an Opel production facility. With the securing of vehicle production until the end of 2016, the production of components...and the creation of a transfer company for workers which will run until the end of 2018, we have found a way to give ourselves five years in order to reach the best possible solution, which is in the interests of the workforce for high quality jobs.”

None of these claims are true. There was no guarantee for the production of vehicles. The building of a facility for the manufacturing of components was a non-binding declaration, and the development company is to be funded not by Opel, but by the city of Bochum and the regional administration of North-Rhine Westphalia.

The agreement was designed above all to encourage workers at other locations to accept the sellout. After votes in Rüsselsheim, Kaiserslautern and Eisenach, the union reported the deal was 80 or 90 per cent support, although many workers were suspicious of the count. In Rüsselsheim, a rumor circulated that the union functionaries had counted all of the members who were not present at the vote as being in favour.

When Bochum workers refused to agree to the closure of their factory, they were attacked by Huber and Schäfer-Klug. Their behaviour was “incomprehensible”, IG Metall’s Huber stated. The chair of the works council accused them of having lost any connection with reality. The crisis in the auto industry and the sharp decline in sales were realities that no one could deny, they insisted like company accountants.

Rainer Einenkel, the chairman of the works council in Bochum, complained that everything had been worked out behind the backs of workers between IG Metall, the works council and management. While this was true, his critique is pure hypocrisy. Einenkel sat on the board of directors and the business committee for years, concealing all the details of discussions and agreements from the workers.

Einenkel vehemently opposed any attempts to mobilise workers against the closure of the factory. Asked what the possible reaction would be to the final decision of the board to close Bochum, he told the *Westdeutsche Algemeine Zeitung*, “We won’t be provoked in to activism for the sake of it.”

Bochum has made abundantly clear that the defence of jobs, wages and the social achievements of working people is only possible through a rebellion against IG Metall and its functionaries and the formation of independent committees of workers fighting for the occupation of the plant and an industry wide struggle of German and all European workers.

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