The emissions scandal at Volkswagen widens

Ulrich Rippert 16 October 2015

The scandal arising from the diesel emissions deception by Volkswagen (VW) is assuming evergreater dimensions. Four weeks after the corporate leadership of the biggest European car builder admitted manipulating emissions testing on a large scale, the full extent of this criminal scheme is gradually being revealed.

The fraud was not organised by a "small group" of development engineers and technicians, as had been claimed previously. Evidently, at least 30 managers were complicit in the fraud, *Spiegel Online* reported on Wednesday. This information comes from current internal investigations of VW practices and from the American law firm Jones Day.

According to *Spiegel*, the circle of accessories and accomplices could expand even further. The turbo diesel motor EA 189 had been checked multiple times between 2008 and 2015 to determine whether it was in compliance with the gas emissions requirements in different markets. The magazine quoted an expert who said, "The fact that this motor fulfilled the requirements without the expensive exhaust gas cleaning usual for diesel engines must have made any motor developer suspicious."

A Volkswagen spokesperson denied the report on Wednesday and said the *Spiegel* claims "have no foundation." Obviously, VW management is struggling to keep the results of the investigation secret as long as possible and, as previously, trying to cover up its own criminal machinations. It does so with the full collaboration of the IG Metall union and the works council. Former IG Metall head Berthold Huber, who led the Volkswagen works council until recently, is now chairman of the internal investigation commission. That means he is the chief investigator inside the corporation.

IG Metall and the works council have a significant interest in hiding the extent of their involvement in the

scam. When it becomes known that several dozen managers were involved, it will be hard to deny that the top officials of the works council knew as well. In any event, IG Metall officials are members of the company's economic committee and are represented in all the important leading bodies.

This close collaboration between corporate leadership, works council and IG Metall is ever more clearly assuming the character of a conspiracy against the workers.

VW is trying to use the crisis in order to organise a fundamental restructuring of the company, centred on a programme of massive cuts and extensive attacks on wages and social benefits. While the works council is making an effort to downplay the situation and maintain order, crisis meetings are taking place behind the backs of the employees.

The announcement by the new Volkswagen CEO, Matthias Müller, that the "efficiency programme" initiated by his predecessor, Martin Winterkorn, will be intensified and accelerated must be understood as a warning. The original plan was to save US\$5 billion by 2018 at the latest. Now, both the amount will be increased and the timeframe compressed.

Volkswagen has to react to the impending costs quickly, said Müller a few days ago, and added, "Not least in order to secure our good rating in the capital markets. That has highest priority." This means that the interests of the investors are the yardstick according to which all restructuring measures will be judged.

For decades, only one factor has ruled in the decisions of all the corporations: the quickest and highest rise on the stock market. Shareholder value—not the long-term development of production—has become the leading principle in the economy. In the case of VW, the corrupt and irrational character of the capitalist profit system has led to a situation in which the necessary investments in the development of

motors, corresponding to emissions standards, were not carried out. Instead, a gigantic fraud was organised, endangering the future and the welfare of 600,000 employees worldwide.

While it is becoming known that many more managers than previously admitted are involved in the criminal machinations, the works council has made an appeal in support of the corporate leadership and distributed thousands of t-shirts with the slogan: "VW: one team, one family."

This Volkswagen patriotism is aimed at subordinating the employees to a criminal mafia and making them jointly responsible for the predicament. This serves as preparation for massive cuts and layoffs.

The works council is already working on enhancing the efficiency programme. Since October of last year, when the question arose how Volkswagen could become more efficient, the works council presented its own 40-page paper to the executive board with suggestions on how to save €5 billion on Volkswagen's core brand alone. Since then, the collaboration between the works council, IG Metall and the leadership of the corporation has intensified further.

To defend jobs, wages and social programmes, it is necessary to counter the alliance between the works council and management. Workers have absolutely no responsibility for the crimes of the executive boards and must reject every demand for sacrifices.



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