

# PSA-GM-Opel deal: IG Metall trade union pledges collaboration with management

Marianne Arens  
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With General Motors' (GM) planned sale of Opel/Vauxhall to Peugeot-Citroen (PSA Group) all estimates suggest that at least 6,000 jobs are at risk as well as several plants in Europe. The trade unions are cooperating closely with the auto bosses to implement the deal, which is part of a major restructuring of the auto industry at the expense of the working class.

IG Metall had hardly received news of the takeover before leader Jörg Hofmann and Opel central works council chair Wolfgang Schäfer-klug travelled to Paris to hold talks with Carlos Tavares, CEO of Peugeot and Citroen.

On February 21 a joint statement from the central works council, IG Metall and the European works council for Opel/Vauxhall appeared on the IG Metall Darmstadt web site. It praised the "trusted and open discussions" with the PSA CEO and noted the "joint goal" of "strengthening the company once again and its tradition-rich brands," going on to state the issue was to create a "European automobile champion with German-French roots."

Fully conscious that the realization of this goal will require the destruction of thousands of jobs at the merged company and at its competitors like Volkswagen and Fiat, IG Metall hails its "trusted collaboration" with company management. "Trusted" means behind the backs of the workforce, as IG Metall offers its services to management in the elimination of jobs and in the struggle against its competitors.

For his part, Tavares declared that PSA's goal was to "make the cooperation with employee representatives and the good relationship with them a clear competitive advantage to the benefit of the corporation," while adding that the PSA Group would be "perfectly suited to German co-determination."

The meaning of Tavares' words could not be clearer. The role of IG Metall and co-determination is to give management a "competitive advantage," because the trade unions will help ensure low wages and labour costs.

The task posed to workers is clear—a break with the unions, which serve as an arm of corporate management in imposing labour discipline.

IG Metall, the CGT in France, Unite in Britain or the United Auto Workers in the United States are 100 percent opposed to uniting in solidarity workers from all automakers and countries against the onslaught of capital. Instead, they keep the working class divided and play them off against each other, country against country, brand against brand and plant against plant. They will place the full burden of the coming restructuring of the auto industry on the backs of the workers.

A major restructuring of the global and European auto market is imminent. In Germany, one in seven jobs are either directly or indirectly connected with the auto industry.

The restructuring is taking place under conditions in which US President Donald Trump has essentially proclaimed a trade war. Meanwhile transformational technological changes are soon to take effect. According to accounting firm PWC, by 2030 only 14 percent of new cars produced will be powered by gasoline engines and 10 percent by diesel. By contrast, electric cars will compose 27 percent of the market while hybrid vehicles will make up 48 percent.

It is by no means guaranteed that General Motors will ultimately abandon the European market. A fusion by GM with Fiat Chrysler (FCA) is possible and GM has reportedly already held exploratory talks with FCA CEO Sergio Marchionne on this matter. The FCA CEO has expressed hopes that a merger would not only create America's largest automaker, but the world's.

Under these conditions, Opel and PSA are hoping to assume second place in the European market behind Volkswagen and ahead of Renault-Nissan. The deal between PSA and GM was due to be concluded prior to the opening of the Geneva Auto Show in Switzerland today.

For the Opel concern, which runs chronic deficits, this means the elimination of large "overcapacities." Through the merger with PSA, more than 6,000 people could lose their jobs, based on studies by numerous auto industry experts.

According to the estimates of Ferdinand Dudenhöffer, who leads the Centre for Automotive Research (CAR) at the

University of Duisburg-Essen, it would require 6,250 job cuts to achieve the necessary savings of €500 million in production.

“The shuttering of entire plants is therefore not excluded,” according to Dudenhöffer. And Opel was today “a restructuring case.”

Professor Stefan Bratzel, who leads a similar centre at the technical college Bergisch-Gladbach, spoke of the necessity of job cuts. *Daily Handelsblatt*, based on several analyses, also expects the destruction of thousands of jobs. The newspaper wrote that by integrating development, purchasing and production, PSA intends to save up to €2 billion, which would “not be achieved without job losses.”

The federal government of Angela Merkel (Christian Democratic Union, CDU) announced it would “positively accompany” the takeover. Economy Minister Brigitte Zypries (Social Democrats, SPD) appointed the SPD state secretary in the Economy Ministry, Matthias Machnig, as Opel coordinator and since his first visit to Paris, he was seeing the “first constructive signals.”

In the upcoming election campaign Machnig’s main task is to keep the issue on the back burner and avoid any conflict with the autoworkers. He led the federal election campaign for Gerhard Schröder in 1998. Machnig also managed the 2014 European election campaign for Martin Schulz, the current chancellor candidate for the SPD.

Opel CEO Karl-Thomas Neumann and German politicians hope that separated from GM, it will be easier to play a role in the global market, and above all, make progress in the Chinese market. The PSA Group, 14 percent of which is owned by the French state, is also partially controlled by Chinese automaker Dongfeng, which holds a further 14 percent of shares.

The hope of accessing the Chinese market is being dampened by a dispute over patents. Opel patents have to date belonged to the corporate owner, GM. While it is prepared to sell licences, it is at the same time preventing vehicles built with these licences from being exported to North America, Russia or China. Opel could therefore only export vehicles that are entirely newly developed vehicles to these countries.

This affects in particular the electric car Ampera-e that Neumann has placed great hopes in. Thus far, the know-how to construct this model has been owned exclusively by GM.

Under these conditions, the automakers are relying on “trusted collaboration” with the trade unions and works councils.

The colleagues of IG Metall in the US are no less servile to management. There, the UAW is supporting Trump’s ultra-right “America First” programme based on extreme economic nationalism. The UAW works closely with GM

CEO Mary Barra, who is herself a member of Trump’s economic advisory committee. GM recently laid off 3,000 workers in Ohio and Michigan with the full support of the UAW.

With regard to the French CGT, it has supported the loss of tens of thousands of auto jobs, ensuring among other things that the closure of Peugeot’s Aulnay plant went ahead without opposition at the end of 2013.

The British union leaders have also responded positively to their first talks with Tavares. Len McCluskey, general secretary of Unite, praised him, declaring, “He said he did not want to close any plants, that’s not his way.”

One can be sure that the German Opel works councils and IG Metall union are already preparing social plans and transfer measures for laid-off workers. Although they are currently writing everywhere that all job and plant guarantees will be retained under PSA, the job guarantee expires at the end of 2018—next year! Plant guarantees are only in place until 2020.

IG Metall, the works council and their counterparts in other countries have already collaborated in the closure of the Opel factory in Antwerp, Saab’s plant in Trollhättan, Sweden, the plants in Bochum and St. Petersburg and GM Holden production in Australia.

Today the only Opel-Vauxhall plants left are in Rüsselsheim, Eisenach, Luton and Ellesmere Port near Liverpool, Zaragoza in Spain, Gliwice and Tychy in Poland, Aspern in Austria, Szentgotthard in Hungary, as well as a design centre in Turin, Italy.

Ten years ago, GM still had 70,000 employees in Europe. Since then, the number of jobs has been reduced by almost half, to 38,200. At the same time, PSA has destroyed almost 22,000 jobs in France. In each of these onslaughts on jobs the nationalist trade unions have done everything to play one plant off against another and to collaborate in the drawing up of closure plans.

It is absolutely essential to abandon this bankrupt policy and replace it with a struggle to unite autoworkers globally. This is why the *World Socialist Web Site* calls on all autoworkers to construct independent action committees to defend wages, jobs and other achievements at all locations in joint struggle!



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