

“They want to cut thousands of jobs.”

# PSA purchases Opel-Vauxhall from General Motors

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The takeover of Opel by PSA (Peugeot-Citroen) has been finalised. An announcement was made Monday by the chiefs of General Motors and PSA at a joint press conference in Paris. The merger could cost many thousands of autoworkers their jobs.

GM chief Mary Barra boasted of a “win-win situation for all involved” and Opel head Karl-Thomas Neumann referred to it as “a genuinely historic day.” Meanwhile, the troubling question confronting the 200,000 employees of Peugeot, Citroen, Opel and Vauxhall, as well as thousands more at their suppliers, is what will the takeover mean for their jobs and working conditions?

This question is more than justified. One only needs to look at what is happening in the US. Last Friday was the last day of work for 1,300 GM workers at the company’s Detroit-Hamtramck plant. Then on Monday, as Barra was boasting to investors that the spin-off of Opel would free up \$2 billion for stock buybacks to further enrich its top shareholders, GM announced that 1,100 workers would be out of a job in mid-May when the third shift is phased out at its Lansing-Delta Township plant.

For these workers it is neither a “win-win situation” nor an “historic day.”

The Opel takeover is part of a major restructuring of the European auto market. The automakers are readying themselves for the trade war announced by US President Donald Trump with mergers and takeovers to eliminate “overcapacity” and tens of thousands of” jobs.

“It is difficult to see how PSA’s takeover of Opel,” the *New York Times* wrote Tuesday, “could succeed without major job cuts and, probably, shutting some factories. Opel has not been profitable since the 1990s, and both companies have more factories than they need.”

The newspaper added, “At a time when European unity is under threat, the sale of Opel to PSA could strain relations among Britain, France and Germany as they try to ensure that any pain is imposed on someone else’s backyard.”

In Paris, PSA chief Carlos Tavares said all that counted was the new company’s “performance,” meaning shareholder returns. In a thinly veiled threat, he said workers had the power “in their own hands” to determine whether the Opel and Vauxhall plants operated profitably within the next two years.

According to this, by the end of 2018, when the current jobs guarantee expires, the Opel and Vauxhall plants had to produce profitably. Losing money for a decade, according to Tavares, was, of course, a “problem” that had to be resolved. PSA plans to save €1.7 billion annually in purchasing, development and production. This means a major increase in speed-up and unpaid forced overtime, and in the longer-term an all-out jobs massacre.

To achieve this Tavares needs the unions to impose management’s dictates on workers. For years, the unions have proven to be reliable partners in suppressing the resistance of the working class defending the interests of capital.

PSA has destroyed 22,000 jobs in France over recent years with the assistance of the CGT and CFDT unions. In 2023, PSA closed its Aulnay-sous-Bois plant, eliminating the jobs of 3,000 workers, most of whom have still not found jobs in the economically hard-hit suburb of Paris.

In the United States, the United Auto Workers (UAW)—which has a 9.4 percent ownership stake in GM and a seat on its corporate board of directors—has collaborated in the destruction of hundreds of thousands of jobs since the 1980s and is now cheering on the ultra-right America First nationalism of the Trump administration.

At Opel and Vauxhall, workers have been repeatedly betrayed by the nationalist unions, which pit workers in different countries and even within different regions of the same country against each other in a fratricidal struggle for jobs. The Saab plant in Sweden and Opel plants in Antwerp, Belgium, Bochum, Germany and St. Petersburg, Russia were closed with the collaboration of IG Metall and other unions.

From a total workforce of 70,000 ten years ago, only half of these jobs remain.

Tavares explicitly praised “employee representatives” and said the relationship with them was a “competitive advantage.” The chair of the Opel central works council, Wolfgang Schäfer-Klug, authored a joint statement with IG Metall union leader Jörg Hofmann, which applauded the “trusted cooperation” with the new management. “We were able to ensure that the existing comprehensive corporate co-determination remains fully intact after the sale,” the joint statement declared.

Schäfer-Klug told the press the restructuring of the German and European industry could be mastered “better than with the old company.” His predecessor, former central works council chair Klaus Franz, nicknamed “Mr. Opel,” said there was “no alternative” to the takeover by PSA.

At an employees’ meeting at the Rüsselsheim plant on Monday, the IG Metall-led works council demonstrated its loyalty to the new management, presenting the takeover as a *fait accompli* and leaving workers in the dark about the corporate offensive which is coming.

Central works council chair Schäfer-Klug shouted down any worker who dared to question the takeover, demanding they keep quiet. Whoever expressed opposition or even frustration during these conditions of uncertainty, Schäfer-Klug proclaimed, was “damaging Opel.” An IG Metall bureaucrat from the works council then denounced former Bochum Opel workers, who were moved to the Rüsselsheim after the closure of their plant, as “raiders” who wanted to profit from Opel.

During the first part of the meeting on Friday, March 3, the only speaker invited by Schäfer-Klug was Opel chairman of the board Neumann. He spent an hour praising the newly-founded “European auto champion with German-French roots,” before disappearing to Paris. The meeting was then halted without further discussion.

Workers then received a written invitation to the “continuation of the interrupted employees’ meeting” on Monday. The two largest rooms of the old factory were set up with video projectors on which the speeches, mainly from Schäfer-Klug and other IG Metall grandees, were broadcast. Everything was decided in advance.

“Zero information” had been presented by the works council, complained Opel workers as they left the employees’ meeting.

An older worker with 22 years on the assembly line told the *World Socialist Web Site* on his way home, “The works council is playing its cards close to its chest. No idea what we will face next. Obviously we should expect nothing good.”

Gerd, a middle-aged worker who is familiar with the

WSWS *Autoworker Newsletter*, agreed. “We are getting no information, but we know that Peugeot also closed an entire plant in France three or four years ago.”

“Perhaps we have another two years here,” a female worker added. “It is true what you write. They want to cut thousands of jobs. They already closed Opel in Bochum and Antwerp.” Asked what she thought of IG Metall and the works council, she said, “They are all hiding under the same cover. Of course, they are telling us nothing about what is going on.”

“All lies, what they are telling us,” another worker intervened. He said he was only 51 years old but “I’m just hoping for a good pay-off.”

An older worker said he had been in the plant for 44 years and currently worked in the press plant. He could still recall how at one time 64,000 were employed in the plant. “Today we are just 15,000 workers, and many of us contract workers.” He continued, “At that time all auto parts were produced and fitted here in the plant. Today, the work is shifted here and there, there are hundreds of contract firms and the poor guys earn much less than us. All of that ought to be done away with.”

But the response of the works council and IG Metall had been “yes and amen” to everything.

From works council sources, this author learned that offers of pay-offs could be expected this year and not only in 2018. According to the source, major job cuts were unavoidable if PSA wants to save €1.7 billion per year. The Rüsselsheim development centre would also certainly be affected because PSA already has its own development centre.

The television programme WISO broadcast a segment Monday evening about the Opel takeover. A former Opel Bochum worker commented on the situation in front of the massive building site on which the once huge Bochum plant is being torn down. Mike Szczeblewski worked there until its closure in December 2014.

He was disgusted with IG Metall. Commenting on the supposed job guarantee until 2018, Szczeblewski said, “So from this summer they will begin making their inventory. Then each location will be played off against another—all in the interest of the company.”



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