

Brazilian auto workers denounce union blackout of GM's planned factory closures

WSWS reporting team
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On Friday, December 7, a WSWS reporting team went to the oldest auto plant in operation in Brazil, opened by General Motors in São Caetano do Sul in 1930. Currently employing 9,300 workers, the plant is located at the center of the largest industrial concentration in South America, the industrial belt surrounding the city of São Paulo, usually referred to by the acronym ABC, after the names of its main cities: Santo André, São Bernardo do Campo, and São Caetano do Sul.

The reporting team distributed the statement “A call to action to fight the GM plant closings and mass layoffs” translated into Portuguese and spoke to workers about the GM’s planned global restructuring. In addition to plants in the US and Canada, it is expected to result in the shutdown of Brazil’s second largest GM plant, 150 km north of ABC in the city of São José dos Campos, currently employing approximately 4,000 workers, a third of its peak workforce of 12,000 in the early 2010s.

Brazil is currently undergoing the worst economic crisis in the country’s history, with an 8 percent GDP drop between 2015 and 2016 being followed by the slowest recovery in the Brazil’s history. Industrial output dropped even more precipitously than GDP, by 20 percent at the height of the crisis, and is currently still 15 percent below its historic peak in 2011.

WSWS reporters discussed with Brazilian GM workers the contradiction between the global interconnection of the auto industry’s worldwide production chain—and that of modern capitalist economy as a whole—and the nationalism promoted by unions in Brazil, just as in the United States and worldwide, which serves only to aid the capitalist corporations that threaten to close down plants and move production to other countries in order to extract

concessions from workers.

This divide-and-conquer strategy pits not only workers of one country against those of another, but also triggers competition between Brazilian state and city governments, which periodically rush to meet the bosses’ demands for tax breaks and social and environmental deregulation in order to attract or keep production amid corporate threats to move to other regions in the country.

To Brazilian GM workers, the most significant recent experience with shutdowns was the race to the bottom between three of Brazil’s main industrial states—São Paulo (SP), Santa Catarina (SC) and Rio Grande do Sul (RS)—to offer the greatest concessions to GM. Local unions in the four affected cities—Gravataí-RS, Joinville-SC, São Caetano do Sul-SP and São José dos Campos-SP—not only boasted of their ability to extract concessions from workers, but lied about the “radicalism” of other unions. They told their respective memberships that it was a lack of sufficient concessions that was responsible for possible shutdowns, and only wage cuts would keep jobs in each city.

In the most threatened plant, in São José dos Campos, the local union rammed through a 50 percent wage cut, introduction of Sunday shifts, and 500 firings in return for GM’s promise to bring new investment and that those fired would be prioritized for rehiring.

The deal was signed in 2013, as industrial output was falling sharply and millions of Brazilians were filling the streets in protests against the rising cost of living. The unions’ reaction was to black out news on what workers were facing throughout the auto industry and to charged that the demonstrators were merely right-wingers seeking to bring down the Workers Party government.

The São José dos Campos union then spinelessly threatened to sue GM, complaining there was no reason for GM to move production, since the company's demands were being enforced by the union. Meanwhile, in February 2017, 150 km south in São Caetano do Sul, the local union also threatened workers with the shutdown of the plant, lying to workers and taking management's side.

On February 22, 2017, the São Caetano Metalworkers Union local's newspaper featured the president, known as Cidão, telling workers: "GM could move the production anywhere and shut down plants, including ours, which is old and behind in technology." The report added that "the best example is São José dos Campos, where there was no deal and they have fired 8,000 workers." In March, São Caetano do Sul workers voted for a contract freezing wages at the 2014 levels, despite the inflation of the crisis period, cutting the wages of night shift workers, freeing the company to suspend work and ending the guarantee of job stability for new hires injured on the job.

Rogério, a São José dos Campos GM worker, spoke to the WSWS about the deliberate effort of the union to isolate workers from different plants, and even more so from workers in other countries. Having known of the GM's global restructuring through workers' Whatsapp groups, he said, "From the union what we hear is that there will be investments here." He expressed mistrust of the company's justifications for the shutdowns, saying, "This all may be connected to blackmailing workers into accepting more concessions," a fact openly admitted in a November 29 article published in the US industry publication *Automotive News* entitled "GM sends bold message to UAW with potential plant closures." Rogério added that "this scheme has probably been developed by management in coordination with their president [Trump]."

Rogério also expressed agreement with the parallels drawn by the WSWS team between Obama's GM bailout in 2009 and the tax breaks offered by Workers Party president Rousseff from 2013 on, which were both bound up with the destruction of wages.

Contract maintenance worker Denis also voiced disgust with the union attitude toward the news of the planned plant shutdowns in the US and Canada. He said: "Among workers there was talk of these shutdowns, but the union didn't say anything." When

asked about the reason for this attempted blackout, he answered: "Money talks," later adding that the union's argument that increasing competitiveness would secure jobs is "just an attempt to cheat on us." Asked about workers joining in a united international struggle, he answered decisively, "Of course I would!"

Felipe, another contract worker, also expressed disgust with the nationalist line of the unions, which want to ram through more concessions. "That's what we hear all the time, about the companies moving production to China," he said.

Workers also expressed surprise about the social conditions in the United States, and strongly criticized the unions for keeping them in the dark about the issues facing workers in other countries. As the reporters told them about the Flint water crisis and the low-wage jobs prevalent in former industrial cities that force some workers to live in their cars, many said of their union, "They don't want us to know" the impact of decades of concessions.

As the last workers left the plant, the WSWS reporting team was approached by a group of workers who had been sent to install new automation at the plant, which they said could only result in more firings. One of them declared somberly, "The truth is that our job today here was to take other people's jobs." One of them, Marcos, also denounced the unions, saying that workers had "missed an opportunity to fight back" with the isolation promoted by the unions and every political force, from the right to the pseudo-left, of the powerful truckers' strike that brought the country to a standstill last May.



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