# Brazilian GM workers discuss call for rank-and-file committees

**Our reporters**
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After the December 9 public meeting in Detroit organized by the *World Socialist Web Site* to fight back against the General Motors plant closures in the US and Canada, a WSWS reporting team returned to the GM plant in São Caetano do Sul, São Paulo, Brazil's oldest auto plant, to distribute the report of the meeting's decision to build rank-and-file committees in opposition to the unions and talk to workers about the situation they face in the plant and the global struggle of autoworkers.

"I think it's absurd [the announced layoffs], GM only thinks of increasing its profits," GM worker Renato said with anger to the WSWS reporters.

Showing solidarity with the future fired workers, another worker, Marcos, said, "the layoffs mean that 15,000 heads of households are going to the streets." When the reporters told him about the decision of building rank-and-file committees, he said that unions "are unfortunately not struggling. Today, none of them are struggling as they were in the past." He added that he only pays dues to the local union because there are "a few benefits, like a discount on medicines and a holiday camp that it runs."

However, more than two weeks after GM announced its decision to close the plants, many autoworkers still didn't know about the closures. Those who did found out through conversations with other workers on Whatsapp and other social media groups.

Others, like Mauricio, told the WSWS reporters that he "knew about the plant closures through news websites," and that "the local union has not informed us about the plant closures."

This role of the local union in isolating the workers in their own factories has also been used to ram through more concessions in contract negotiations in face of the shutdown of other plants. When asked why the GM plant in the city of São José dos Campos, 80 km north of São Caetano, is the only GM plant in Brazil that has not received any investment in the past years—and there are rumors of a possible shutdown—Eduardo, a worker with 10 years at GM, said, "What we hear from our union is that the São José union is too uncompromising."

Another worker, Jefferson, confirmed what Eduardo said: "They [the officials of their union, which is controlled by Força Sindical, which was linked to the Brazilian dictatorship] said that the [São José] union is too 'strong' and it doesn't accept anything."

The alleged "uncompromising" character of the São José union, controlled by the Morenoite CSP-Conlutas union federation, did nothing to prevent GM from laying off two-thirds of its peak workforce of 12,000. The only answer of CSP-Conlutas was an empty threat to sue GM over an unfulfilled promise to bring new investments to the local plant. It made no attempt to mobilize the workers against the job cuts.

The situation of the GM plant in São Caetano at this point contrasts with the company's plant closures around the world. In February of this year, the company presented expansion plans for the São Caetano complex, with an investment of 1.2 billion reais ($308 million) involving a new 400,000-square-meter building, which will increase car production from 250,000 to 330,000 annually. The company plans to invest 13 billion reais ($3.3 billion) in Brazil by 2020, according to GM's website. At the same time, since 2015, GM has closed production facilities in Europe, Australia, Russia, Indonesia, India and South Africa, besides the recent announcements of plant closures in the US and Canada.

Brazil has attracted this investment based on the recent sellouts of autoworkers which have included the firing of senior workers, wage freezes and union permission for generalized outsourcing, which has created a permanent crisis situation for thousands of workers.

According to the UOL website, GM investments in São Caetano's plant will include a new global auto export platform, which will produce a new SUV that will substitute for the Mexican-produced Tracker model. This investment plan also coincides with the introduction of a new GM electric car model in Brazil—Bolt EV—for next year, which was announced in November during São Paulo's major auto fair, *Salão do Automóvel*. Vice president of GM Mercosul, Marcelo Munhoz, said the company intends to bring the production of the Bolt EV to the São Caetano plant.

This year *Salão do Automóvel* also saw Brazilian President Michel Temer sign a decree implementing the long anticipated Rota 2030, a massive program of tax breaks for the auto companies which is “aimed at stimulating the production of safer and cleaner cars to make the national auto industry more competitive.” Rota 2030 reduces taxes on electric and more fuel-efficient vehicles in general, and likely self-driven ones in the future. The most important part of the program is a tax break of up to 1.5 billion reais ($385 million) for companies that invest at least 5 billion reais ($1.28 billion) in research for such endeavors.

Volkswagen, which recently announced its Roadmap E plan to produce electric vehicles, announced in the beginning of December that it will produce its first electric truck in Brazil by 2022, turning the Resende plant in Rio de Janeiro into one of its 16 plants in the world producing electric vehicles. After the announcement of Rota 2030, VW also announced the testing of its hybrid bus in Brazil for the next year.

GM and VW investment plans in Brazil have been followed recently by other major auto companies, like Scania, Mercedes-Benz and Mitsubishi, with either increases in production, new hiring, or bringing on new shifts. However, the 15 percent increase in vehicle production in Brazil this year compared to last year has occurred only after three consecutive years of decline in vehicle production, as the country has suffered its worst economic crisis in 100 years. Vehicle production in Brazil, which in 2010 accounted for one-fifth of the world total, and now comprises just one-eighth, despite this increase, is returning to the same levels set in 2015.

UOL auto journalist Fernando Calmon called Rota 2030 “the most important event since the regulation of the auto industry in Brazil, in 1956.” It is part of the Brazilian government’s response to the auto industry’s global restructuring plans and the shift toward the production of electric vehicles. For autoworkers, however, it will have disastrous effects.

Toyota’s president for Brazil, Rafael Chang, said at the ceremony launching Rota 2030 that last year’s “labor reform was another important step to strengthen the economy and encourage new investments.” Together with the outsourcing law passed in March 2017 by the Brazilian congress, which allows companies to outsource any job, it makes the working conditions and wages of Brazilian autoworkers even more precarious. According to a report last year in the UK’s *Auto Express*, “In Brazil, the hourly pay rate is only a dollar higher than it is in China, at $6.17 on average.”

Despite the São Caetano plant having no contract workers on the assembly line, Douglas, a recently hired contract worker said that “during the period of temporary layoffs, there are up to 100 outsourced companies working in GM, doing adaptations, modifications and maintenance.” However, GM worker Mauricio believes that the hiring of contract workers on the assembly line “will happen here … and will be extremely harmful for workers.” In Brazil, contract workers’ wages are 25 percent less and they work three more hours a week than a worker hired directly by the company.

Next year, under the presidency of the fascistic former army captain Jair Bolsonaro, the class tensions in Brazil will only intensify. Last Thursday, December 13, Bolsonaro praised the changes in the Brazilian labor law. The daily *Folha de S. Paulo* reported that Bolsonaro “intends to introduce new flexibilizations [of the labor law] because businessmen are discouraged in Brazil due to the ‘excess’ of workers’ rights.”

Responding to Bolsonaro’s statement, GM worker José said, “He insists on talking about it. I think the class that has more rights is the one to which he belongs.” When asked about a way to fight back against Bolsonaro’s threatened attacks on workers, José said that, through the existing unions, workers “will not get into a fight that we already know we’re going to end up losing.” He added, “In the past, the opposition was intense between the company and the union, but today, it’s not like that. … I think that the union has to defend workers, but I don’t know in what way that will happen. That union reality will not come back.”

After the “popular front” of union federations, social movements and pseudo-left parties failed to mount any resistance to Temer’s labor reform and outsourcing law passed last year, Brazilian autoworkers see no way forward within the confines of the existing unions. The call by the December 9 meeting in Detroit for the building of rank-and-file committees in opposition to the unions has utmost relevance to the present situation in Brazil, where these committees are needed not only to defend the jobs, wages and working conditions of autoworkers, but also to prepare the fight of the entire working class against the incoming Bolsonaro government.