

Nissan to lay off 1,000 Mexican autoworkers

Alex González
24 December 2018

On Thursday, Nissan announced that it would lay off 1,000 workers in its central Mexican plants in Aguascalientes and Morelos as a result of what the company calls “challenging market conditions.” The job cuts come in the wake of almost 15,000 layoffs by General Motors (GM) in the US and reports of potential job cuts by Ford as part of a new restructuring of the auto industry.

Given the complex auto production supply chain, the layoffs will have a devastating effect for tens of thousands of autoworkers across North America. Nissan currently sells one in five cars in Mexico and employs about 17,000 workers in the country. In Aguascalientes, Nissan has three assembly plants that employ 8,000 workers and 37,000 more workers indirectly through hundreds of auto parts plants that serve the facility. The CIVAC assembly plant in Cuernavaca employs another 3,500 workers and is the main direct and indirect job provider in Morelos.

Along with the job cuts, which are set to take effect in January, Nissan announced that it will decrease production at its two plants following a slowdown in the US and Mexican markets. The company’s sales dropped by 14 percent from January to December of this year, according to the Mexican Association for the Auto Industry (AMIA). The company has not released figures on how many workers will be laid off at each facility.

The job cuts will leave thousands of already vulnerable families scrambling for new sources of income under conditions of vast social want. According to government statistics, Aguascalientes had a poverty rate of about 30 percent in 2016, with about half of the population having at least one social deficiency, defined as a lack of access to adequate food, education, and other social services. In Morelos, about half of the population lives in poverty and about 75 percent of the population has at least one social deficiency.

The job cuts must be seen not as a state or national event, but as part of an international assault on the working class. While making massive profits, corporations are taking the offensive by demanding further concessions on wages and working conditions. The free-up of funds will be used to continue a program of stock buybacks to boost the portfolios of the wealthy shareholders.

Three weeks ago, GM announced that it would be closing five plants in the US and Canada, eliminating about 15,000 jobs in already heavily deindustrialized areas. This was shortly followed by Wall Street bank Morgan Stanley projecting that Ford may make 25,000 cuts. Earlier this year, about 950 Volkswagen and Audi Mexican autoworkers were laid off, as well as 500 workers at the CIVAC Nissan plant in Morelos.

Financial markets have rewarded the announced layoffs, with GM’s company stock rising by nearly 7 percent after the company’s announcement. This assault on workers takes place under conditions in which companies continue amassing billions in profits, with GM expected to make USD\$10 billion and Nissan USD\$4.5 billion in profits in 2018.

In response to these ruthless cuts, the nationalist unions in every country have defended the “right” of companies to destroy jobs and attack working conditions in order to maximize investors’ profits. Far from an organized fight to defend jobs, the Nissan Workers Independent Union’s response to the last round of layoffs in March was simply to promise to add workers to a shortlist to get rehired by the company.

The union’s pro-capitalist policies are coupled with poisonous chauvinism aimed at convincing workers that their enemies are not the elites that hoard all of society’s wealth, but poor workers in other countries that are exploited by the very same companies at different segments of the production process.

The government of Aguascalientes, like its

counterpart in Morelos, bent over backwards to secure plants in the state. Nissan opened its first Aguascalientes plant in 1992 and its second in 2013. Its third plant, operating in conjunction with Daimler, started operations in December 2017. The CIVAC plant in Morelos opened its doors in 1966 and pays autoworkers among the highest salaries in the country at about USD\$21 per day.

Now, the state government of Aguascalientes is seeking to contain anger by announcing limited support for thousands of affected families. Governor Alma Hilda Medina Macías announced a job fair in January, which, as workers know, is not a promise of job security or earning equal, let alone improved wages.

Mexican autoworkers are a key driver of the economy. Mexico is the seventh largest producer of motor vehicles, with the auto industry contributing 3.7 percent of GDP in 2017. The auto sector is the fourth largest employer in Mexico and counts among its forces some 700,000 autoworkers.

Autoworkers must use their objective economic and social strength to put an end to attacks on their living standards. They must link with other sections of workers, in Mexico and internationally, who face the same challenges and have the same class interests—well-paid and secure jobs, fully-funded pensions, an end to the assault on immigrants, and trillions for infrastructure, health and education.

As the latest attack on jobs lays bare, the crisis of the capitalist system affects workers in every country. Nissan, GM and Ford are all international corporations that cannot be challenged with a national strategy. All autoworkers must carefully study the resolution passed by autoworkers in Detroit, Michigan to form rank-and-file committees, independent of United Auto Workers (UAW) and the Canadian Unifor, to coordinate and expand the struggle.

The resolution stated that the steering committee, which was formed after the meeting, must “mobilize workers on the basis of their own demands” and “establish lines of communication and collaboration with all workers—including auto parts workers, teachers, Amazon workers, service workers and others—and fight for the unity of American workers with our class brothers and sisters in Canada, Mexico and the rest of the world.”

Mexican autoworkers, who are frequently

scapegoated by US and Canadian trade unions, should reach out to their international class brothers and sisters to establish such a collaboration and form their own rank-and-file committees. The Socialist Equality Party urges interested workers to contact us in English or Spanish at autoworkers@wsws.org.



To contact the WSWS and the Socialist Equality Party visit:
wsws.org/contact