Auto jobs massacre widens

Tesla, Nissan announce mass layoffs, Fiat Chrysler jobs threatened

Marcus Day 19 January 2019

Signaling an expansion of the global onslaught on jobs, automakers Tesla, Inc. and Nissan Motor Co. announced plans for layoffs in the United States on Thursday and Friday. Altogether, nearly 4,000 workers' jobs are on the chopping block at the two companies.

The job cuts come as part of a wave of planned sackings and cost cuts throughout the industry. The auto giants are seeking to terrorize an increasingly insurgent workforce into submission, as the companies confront slumping sales, a looming economic crisis, significant financial pressure from rising commodity prices and the impact of escalating trade wars, and the ever-present pressure by Wall Street and the big banks to reduce costs.

Nissan, based in Japan and the world's sixth-largest automaker, has been plagued in recent months by the scandal surrounding the arrest of its former chairman, Carlos Ghosn, based on allegations of unreported earnings. Behind Ghosn's arrest, maneuvers and conflicts are taking place among the company's directors over a possible merger with Renault, one of Nissan's two partners.

The cuts announced by the company Thursday will reportedly target nearly 700 contract workers at its Canton, Mississippi, assembly plant. Nissan will eliminate one shift each involved in the production of vans and pickup trucks. The job reductions in Mississippi come less than a month after Nissan stated that it would lay off some 1,000 workers at plants in Aguascalientes and Morelos in Mexico.

Tesla, the California-based electric vehicle manufacturer, revealed Friday that it plans to cut its workforce by seven percent, or approximately 3,150 jobs according to industry analysts' estimates.

Tesla has struggled to meet production targets of its "low-cost" Model 3 sedan over the past year, and shares dropped 13 percent on the announcement. The company has also revealed its intentions to drop prices slightly on its entry-level car, in an effort to offset the phasing out of consumer tax credits.

CEO Elon Musk, in the email announcing the cuts, alluded ominously to the speed-up, which will face the remaining workers, who are already under enormous and nearly intolerable pressure.

"Tesla will need to make these cuts while increasing the Model 3 production rate and making many manufacturing engineering improvements in the coming months," he wrote, adding, "There isn't any other way."

In the face of mounting attacks autoworkers, long suppressed by the pro-company unions, are moving into open rebellion, as demonstrated by the ongoing wildcat strike wave by tens of thousands of maquiladora workers just across the US border in Matamoros, Mexico. Opposition is developing among the working class internationally, with spontaneous walkouts and job actions occurring recently at General Motors' Oshawa, Ontario assembly plant and at the nearby parts supplier Inteva.

In November, General Motors fired the opening shot in the latest jobs massacre when it announced plans to idle four factories in the United States, one in Canada, and two as-yet unnamed plants overseas, wiping out approximately 15,000 jobs. The announcement followed GM's closure of its assembly plant in Gunsan, South Korea, last May, laying off thousands. Industry analysts have indicated in recent weeks that a number of GM engine and engine component plants may soon also face cuts, such as plants in Romulus and Flint, Michigan.

Last week, Ford announced plans to shutter plants and slash thousands of positions at its operations in Europe, as part of a \$14 billion dollar cost-cutting plan. In addition, the company earlier indicated plans to significantly reduce its global salaried workforce, and is cutting shifts at its US operations.

On Tuesday, Ford also revealed the first stages of its longsignaled intentions to form an alliance with Germany's Volkswagen, in a move that bodes even more sackings and plant consolidations. The same day Ford announced its plans for reductions in Europe, Jaguar Land Rover, the United Kingdom's largest automaker, confirmed its previously indicated aim to slash some 4,500 jobs.

The global character of the attack on jobs underscore the importance of the February 9 demonstration against layoffs and concessions at General Motors' headquarters in Detroit. The action has been called by the Steering Committee for the Coalition for Rank-and-File Committees in order to launch a counter-offensive by workers to reverse decades of attacks on their living standards.

Fiat Chrysler, the smallest of the Detroit Three automakers, has yet to indicate mass layoffs on the order of GM and Ford, having drastically reduced its US footprint and ending car production following the 2009 bailout and bankruptcy restructuring. However, it faces enormous pressures to cut costs in the wake of the imposition of \$800 million in fines and other charges to settle lawsuits relating to the rigging of diesel emissions tests.

Autoworkers at the company's Belvidere Assembly Plant, just outside Rockford in northern Illinois, have contacted the *World Socialist Web Site Autoworker Newsletter* to report the layoff of an entire shift is imminent.

"We are up in the air right now about C shift going away," said Steve, a C shift worker at the plant. "We are in limbo and only building like 400 cars per shift and when the number is met they are short shifting."

"I know FCA is holding out and going to pit plants against each other for future product and seek more concessions because it is a contract year. Our local union knows this and they usually concede to the company."

"There are a lot of pissed off workers here about the collusion between the UAW and Big Three," he continued, referring to the corruption scandal in which the UAW was shown to have taken millions in bribes from the company. "They told us recently when taking suggestions for future contract negotiations that we cannot submit anything about pay. But a majority want COLA back and no more tiers."

Roughly 5,000 work at the plant, producing the Jeep Cherokee. The layoff of an entire shift, over 1,500 workers, in the economically depressed Rockford area would pose catastrophic consequences for workers and their families.

John, another worker on C shift, said, "Employees will be displaced, all while sales are up, profits are up, but yet they tell us it's because of slumping sales...Right now, we're not sure when this is supposed to take place, but we're hearing sometime in March."

"The workers get screwed so the CEOs and their shareholders stay profitable," Steve continued. "That's the corporate oligarchy we live under."

"All I can say is it won't work in the end... Oligarchs will

lose!"

Referring to the yellow vest protests by workers against inequality in France, he said, "I believe we need a massive global movement/protest to turn the tide. [I'm hoping that] the government shutdown along with all the other protests going on would start our own massive yellow vest movement across the country."

Whether at Fiat Chrysler, GM, Ford, Nissan, or the many parts and supplier companies, workers must reject the demand that they suffer the continued destruction of their jobs and livelihoods.

Workers should look to the courageous example of those striking at the *maquiladora* sweatshops in Matamoros, Mexico, where workers are rejecting the despised and corrupt unions and are in the initial stages of forming their own organizations.

Across the auto and auto parts plants throughout North America, workers should organize meetings and act to elect and organize rank-and-file factory committees, independent of the unions, linking their struggle with striking Los Angeles teachers and government workers as well as reaching out across borders to their brothers and sisters in other countries.

Above all, workers must recognize they are in a struggle against not just one or another greedy corporation; they are locked in conflict with the entire capitalist system and the political parties and organizations which defend it. In order to secure the needs of the working class, a new political strategy is needed, i.e., socialism, which means the fight for social equality, not the profit interest of the corporations and super-rich.

We encourage all workers who agree with this perspective to make the decision to get involved and contact us today.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact