

Autoworkers strike in Hungary

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Thousands of autoworkers began a one-week strike Thursday at a factory of the German automaker Audi in Győr, western Hungary. The workers are demanding a sizeable wage increase. The previous Friday, 4,000 workers took part in a limited two-hour strike.

The strikes were called by the independent trade union AHFSZ at Audi Hungaria. The union is demanding an increase in wages of 18 percent, or at least 236 euros. At present, employees at the plant, located some 100 kilometres from Budapest, earn considerably less than their counterparts in the Czech Republic, Slovakia and Poland.

A worker at the assembly plant earns around 1,000 euros. This is three times less than a German Audi worker, although living costs in the country are comparable to those in Western Europe.

The strike has halted production. “Production in Hungary has currently stopped,” said a company spokesman in Ingolstadt on Thursday.

The same morning, the deputy head of AHFSZ, György Csalogány, said that motor and vehicle production was “virtually 100 percent at a standstill.” Should the strike be resumed, the production stoppage would threaten other plants due to interrupted supply chains. Many supply companies in Hungary are already affected.

Audi, a subsidiary of Volkswagen, is the largest foreign investor in Hungary, with more than 12,000 employees. Audi, along with many other carmakers, went into Eastern Europe in the early 1990s, drawn by low wages and a corrupt elite that attends solely to the interests of big business. Audi has invested around six billion euros in Győr since opening the site. The plant produces gasoline, diesel and electric motors for Audi and other brands of the VW Group. Every year, some two million engines and 100,000 vehicles of the A3 and TT models leave the production line.

With its strike call, the union at Audi is responding to

huge levels of unrest and anger among the workers, of whom over 9,000 at the factory are organised in the union. Confronted with massive price increases and constant cuts imposed by the right-wing government led by Victor Orban, the workers, who receive rock bottom wages, are struggling to make ends meet.

The unions are trying to reach a rapid agreement with management. Union leader Sándor Németh has repeatedly said that further talks will be held during the industrial action and the strike will be stopped immediately in the event of an “acceptable offer.”

The walkout marks an intensification of the strike movement in Eastern Europe, which is primarily affecting the auto industry. In the summer of 2017, VW workers in Slovakia and Fiat workers in Serbia went on strike. Just over a year ago, a strike took place at Ford Autos in Craiova, Romania. In the Czech Republic, the VW subsidiary Skoda was able to avert a strike only with the help of the trade unions and a 12 percent wage increase.

Workers around the world are fighting for better wages and working conditions. For more than two weeks, over 70,000 workers from 45 “Maquiladora” factories in Matamoros, Mexico, on the US border, have conducted a brave struggle that is bringing work at factories across the city to a standstill.

In Hungary in particular, concerns are growing about a possible extension of the auto industry strikes. Last December, Mercedes-Benz was forced to raise wages at its Kecskemét plant to prevent strikes.

The strike at Audi takes place against the background of a further round of cuts announced by the German auto company, whose headquarters are in Ingolstadt. Audi CEO Bram Schot announced that profits were expected to rise significantly in coming years. He anticipated increased sales and cost reductions to allow operating profits to grow by a total of 15 billion euros by 2022. That is five billion more than Schot’s

predecessor Rupert Stadler had planned.

According to *Manager Magazin*, Chief Financial Officer Alexander Seitz said: “We have to optimize once again.” Without a proper austerity program, Audi’s return on sales would hit zero in the coming years, the CFO said. He told the magazine: “We have to make decisions faster and take more risks.” The magazine reported that this meant, above all, reductions in personnel.

Job cuts are also planned at Opel in Germany. Production at its main plant in Rüsselsheim is to be scaled back, wiping out hundreds of jobs. Ford also plans to cut thousands of jobs in Europe.

The support being given to the strike in Hungary by Germany’s IG Metall union and its protests against low wages are merely empty words. In practice, the German union and its works councils enforce management’s attacks on the workforce, playing off the workers of different countries and locations against one another in order to prioritise the closure of plants abroad.

Asked about the planned cuts at Audi, the company works council chairman in Neckarsulm, Rolf Klotz, supported the reductions “if they are used to secure employment at German plants.” In the wake of the recent diesel scandal, Audi would have to raise enormous sums of money to secure its future, Klotz argued.

The strike at Audi coincides with a protracted wave of protests against the right-wing government of Prime Minister Victor Orban. Thousands have been demonstrating for weeks against his so-called “slave law.” This law, which increases the number of possible overtime hours from 250 to 400 per year, has met with fierce resistance from broad sections of the population. The protests are also directed against a judicial reform decided at the same time, which introduces new government-controlled administrative courts, and more generally against the xenophobic and antisocial policies of the Fidesz government.

The “slave law” has been introduced at the urging of the influential auto industry lobby. Hungarians protesting against it speak of a “Lex Audi, Mercedes and BMW.”

On Saturday, thousands demonstrated once again in Budapest and other cities across the country. There have been protests in 60 cities so far.

In the capital, protesters blocked one of the city’s

central bridges. Despite the efforts of ultra-right forces such as Jobbik and pseudo-left groups to diffuse the protests, the rejection of government policy is only growing. According to recent surveys, support for the government has slumped to just 30 percent. In the last elections, the ruling Fidesz party was able to win an absolute majority.

For their part, the opposition parties are trying to dominate the protests with radical rhetoric. Zsolt Gréczy of the Democratic Coalition (DK), a split-off from the Socialist Party (MSZP), declared that 2019 would be the “year of resistance and mutiny.” These words, however, cannot hide the fact that the DK is seeking to use the protests to forge an alliance with the far-right Jobbik. For the local elections due in October, all of the opposition parties want to agree on a single candidate. This explicitly includes candidates of the extreme right.



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