

# Ford announces 5,000 job cuts in Germany

Marianne Arens  
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Ford plans to cut 5,000 jobs at its plants in Germany. Management announced its plans in a letter sent to the company's workforce on March 15. It has been known since September 2018 that the company was planning to carry out mass lay-offs and shutter plants in Europe. The IG Metall trade union and works councils at Ford's German plants support the plan in principle and are attempting to divide and demoralise the workers in order to block the development of any organized opposition.

The mass lay-offs are a component of Ford's global onslaught on jobs known as the Fitness Programme, which aims to eliminate 25,000 jobs around the world. Ford intends to save \$14 billion with the measures in order to double its profit margin and boost share dividend payouts for investors. Last year alone, the company paid out \$2.3 billion in dividends.

In Europe and Russia, where Ford employs around 52,000 workers, the company is seeking to compensate for the impact of Brexit and the diesel emission scandal by substantially reducing its operations. With regard to the transition to electric vehicles, Ford is pushing ahead with plans to cooperate with VW, while it cuts jobs to save costs where possible.

Ford's French Blanquefort plant near Bordeaux is scheduled to close in August with the loss of 850 jobs, and 1,600 jobs are threatened, including one of three shifts, at the German plant in Saarlouis. In Russia, the Vsevoloshsk and Nabareshnyje Tchelny plants are under threat of being shuttered, with the loss of 3,000 jobs, and production is also being cut back at the Valencia and Dagenham plants in Spain and Britain.

In the March 15 letter, head of Ford's operations in Germany, Gunnar Hermann, and business manager Rainer Ludwig demanded "at least €500 million in structural cost savings, which is to be achieved through a consolidation of all organisational structures. This includes lay-offs in Germany of more than 5,000

(including short-term contractors)."

In addition to Ford's Cologne plant, which taken together with the research centre in Aachen employs 18,000 workers, Ford Germany also includes the Saarlouis facility with 6,000 jobs. Management is already calling into question the employment guarantees provided to these facilities, which were supposed to run until 2022. Hermann told public broadcaster Saarländische Rundfunk in December that Brexit has changed everything, stating, "You can't rely on contracts any more. We can't do anything about Brexit taking place."

How are the IG Metall union and works councils now responding to the renewed declarations of war from the company's board?

A revealing interview providing an answer to this question was published by the *Kölner Stadt-Anzeiger* on January 22 with Martin Hennig, chairman of the joint works council at Ford. "I expect a large number of job cuts," he said. "When it comes to job cuts, Cologne will certainly be hit the hardest." Asked if he thought the measures were appropriate, the works council chairman answered that he felt it is "correct in principle to subject everything to review and deal with the issues that are affecting the entire auto sector."

The works council leader speaks like a top manager. He repeatedly makes clear that he considers himself part of company management, thinking and acting in terms of Ford's profit margin. In an earlier interview given to the *Kölnische Rundschau* last summer, he noted (of course in the "we" form), "In Europe, we live on small and medium-sized cars. They run well, and we make good money with them. But nothing is left from the profits. So we have to take a look at costs. This is top management's most important task ... If we have control over costs, then the European business can contribute to Ford's profits."

Hennig responded to the job cuts by seeking to place

the blame on suppliers and sub-contractors. He told the *Kölner Stadt-Anzeiger*, “The overall total of external contracts in Europe amounts to €11 billion. I get the impression that the European headquarters isn’t even aware of this figure. If they want support from us in the current situation, company management has to deal with this.”

Hennig was merely formulating IG Metall’s official policy, which generally refuses to defend contract workers, sub-contractors, and the workers at parts suppliers, thus driving a wedge between them and Ford employees. Ford has thousands of short-term contract workers in Cologne and Saarlouis whose contracts have either already expired or will do so in June. Although contract workers pay union dues to IG Metall, the union and works council accepts lower pay and poorer working conditions for them, and are supporting them being laid off.

IG Metall also encourages divisions between plants, countries, and continents. Saarlouis works council chairman Markus Thal notes at every opportunity that IG Metall will protect German jobs (with the emphasis on “German,” and not French, Romanian, or American jobs). And in Cologne, Hennig rails against the advantages enjoyed by the “US owner.” He told the *Kölner Stadt-Anzeiger* that in the US, Ford “obtains better terms from global suppliers as we do in Europe as a subsidiary,” and can thus achieve “a higher rate of profit ... This is hard to comprehend and unfair.”

This was the same policy used by IG Metall five years ago to play one location off against another as Ford’s plant in Belgium was shuttered virtually simultaneously with VW’s Bochum plant.

The reality is that Ford Motor Company attacks its workforce just as brutally in the United States as it does in Europe or Latin America. In Brazil, Ford is closing an entire plant in Sao Paulo and withdrawing from truck production in Latin America. At the same time, Ford is eliminating 1,000 production jobs at its Flat Rock plant in Michigan. It is being supported in this by the United Auto Workers, IG Metall’s US counterpart.

These examples underscore that Ford workers can only defend their jobs if they organise themselves independently of the unions and take the struggle into their own hands, uniting with their brothers and sisters around the world.

Autoworkers and parts workers in the supplier

industry face the threat of a global jobs massacre. In North America, General Motors is currently closing five plants with the loss of 15,000 jobs, while in Germany, Opel, Audi, and VW are also laying off workers. Things are similar for workers in the parts industry, such as for workers at Bosch.

Ford workers must form rank-and-file action committees to organise the defence of jobs and initiate contact with their colleagues at other Ford plants and other sections of the working class. The working class is a powerful social force, with around 800,000 workers in Germany alone employed in the auto industry.

But under capitalism, every progressive development is being turned against them. Even tremendous technological advances—electric vehicles, self-driving cars, and artificial intelligence—do nothing to improve the lives of workers, but are merely used to increase exploitation, intensify surveillance and accelerate rearmament.

A socialist programme is required, which aims at confiscating the vast wealth of the banks and super-rich, placing it under workers’ control, and deploying it for the benefit of humanity as a whole.

This is what the Sozialistische Gleichheitspartei (SGP) and its sister parties in the International Committee of the Fourth International fight for. The SGP is standing in the European elections to call for workers’ governments and the United Socialist States of Europe. The *World Socialist Web Site* and *WSWS Autoworker Newsletter* calls on all workers wishing to take part in this principled campaign in defence of jobs to contact us.



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