

# The global socialist strategy to fight auto layoffs

Jerry White  
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Hundreds of salaried workers at Ford's World Headquarters in suburban Detroit gathered up their belongings Tuesday after being told that they were laid off in what the automaker calls the final phase of its "Smart Redesign" cost-cutting campaign. In an internal memo Monday, Ford CEO Jim Hackett revealed that the company is on pace to eliminate 7,000 salaried workers—or 10 percent of its global white-collar workforce—by August.

Some 900 engineers, managers, technicians and other salaried workers will be cut in the US this week, in addition to the 500 workers who have already been forced to take "voluntary separations."

This is only the beginning. Wall Street shrugged off Ford's announcement and demanded more blood. On Tuesday, a Morgan Stanley analyst said Ford would have to cut another 23,000 salaried position to meet its cost-cutting targets.

Ford is accelerating its global restructuring, with a new chief financial officer being brought in from online retail giant Amazon. In April, Ford announced plans to cut 5,000 jobs in Germany. It is closing plants or consolidating business operations in the UK, France, Russia and Brazil. It is also throwing thousands of workers in China out of their jobs after vehicle sales fell by 40 percent.

All the global automakers are conducting similar job-cutting campaigns. GM is cutting 14,000 jobs, Volkswagen 7,000, Tata Motors' Jaguar Land Rover 4,500 and Tesla 3,000. This will only be a down payment though if the wave of mega-mergers in the industry occurs as expected.

This jobs massacre is being driven by the demands of Wall Street and other financial markets. Investors want the automakers to maximize profit margins and returns even as sales fall in the key North American, Chinese

and European markets and warnings mount that trade war between the US and China could throw the world economy into a recession in the next six to 12 months.

The capitalist profit system has eviscerated the divisions between blue-collar and white-collar workers by shoving lower-level managers, IT technicians and engineers down into conditions of exploitation and economic insecurity long familiar to assembly line workers.

In a similar way, capitalism has forged a single international working class, which confronts the same problems and same enemy around the world. The increasing globalization of capitalist production has also created practical and technological means to unite workers in an internationally coordinated campaign to defend their jobs and living standards.

The growth of the class struggle is increasingly taking on an international form, including the struggles of teachers throughout the world, the fight to defend the framed-up Maruti Suzuki workers in India, the revolt by *maquiladora* auto parts workers in Matamoros, Mexico and their appeal to American workers, and the recent international strike by Uber and Lyft drivers.

Ford workers in the US have already begun communicating with their counterparts in Germany and the UK. These links must be strengthened and expanded. Salaried and production workers should forge new organizations, democratically controlled by rank-and-file workers and independent of the corporate-controlled unions. These committees should make preparations for national and cross-border strikes to stop plant closings and mass layoffs.

This will require an irreconcilable fight against the nationalist poison spread by unions like the United Auto Workers (US), Unifor (Canada), IG Metall (Germany) and the CGT in France, along with Trump

and the Democratic Party. The promotion of nationalism has long been the means through which workers were forced to take endless concessions based on the lie that increasing the competitiveness and profitability of one's "own" capitalist class would preserve the jobs and living standards of workers.

The unions are not working-class organizations. In the US, the UAW is opposed to any struggle to defend jobs and living standards. It is a corporatist syndicate, controlled by wealthy and bribed executives, which has worked tirelessly to enforce concessions and suppress opposition. In the run-up to contract negotiations this fall, it is imperative that workers begin now to form independent organizations of struggle to advance their own demands.

Autoworkers and all sections of the working class confront the reality of the capitalist system, to which workers must respond through the building of an international socialist movement.

Plants are shuttered, tens of thousands of production workers, engineers, technicians and other skilled workers are idled at immense social cost. The savings squeezed out of the wages, health benefits and pensions stolen from workers goes directly into the bank accounts of the corporate and financial oligarchy that rules society.

Over the last few years, GM and Ford have spent billions on stock buybacks and dividend payments for their richest investors and corporate executives. In 2018, US corporations spent more than \$1 trillion on stock repurchases and that record amount could be broken this year.

All the parties of the ruling class support the escalation of the attack on workers. While the Trump administration is a bitter enemy of all workers, it was a Democratic Party president, Barack Obama, who restructured the auto industry in 2009. As a condition for a federal bailout, Obama insisted that autoworkers accept tens of thousands of layoffs, the halving of wages for new hires and other concessions, while paying off the UAW by handing it control of a multibillion-dollar retiree health care trust.

Social equality will not be achieved through appeals to the rich to accept a modest increase in taxes, let alone through the corporate-controlled Democratic Party.

If the social rights of workers and their families for

secure jobs and income are to take precedence over the profits of billionaire bankers and millionaire corporate executives, then workers must expropriate the private property of the capitalist class and transform the auto industry into a publicly owned utility, collectively owned and democratically controlled by the working class.

The relentless and destructive pursuit of private profit must be replaced with a scientifically planned economy throughout the world, based on production for human need, not profit and parasitism.

After decades of falling real wages, austerity and rising social inequality, anti-capitalist sentiment and support for socialism is growing. This was expressed in the comment of one salaried Ford worker on the web site thelayoff.com who said, "There's a tiny minority of people in the ruling class, and all of us in the underclass. I just hope I'm still alive for the day when we rise up and topple them."

The growing opposition to capitalism must be transformed into a conscious political movement. The Socialist Equality Party in the US and its sister parties in the International Committee of the Fourth International are fighting to arm the developing objective working-class movement with an uncompromising revolutionary socialist strategy and perspective.



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