

Brazilian GM workers speak out on US autoworkers' strike

A WSWWS reporting team
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On September 19 at 7:00 pm Eastern Time, the WSWWS Autoworker Newsletter is hosting an online meeting to discuss the strategy and perspective needed to organize autoworkers against the conspiracy of the corporations and the United Auto Workers. To participate, visit wsws.org/autocall.

On the eve of the strike by 46,000 General Motors workers in the United States, a WSWWS reporting team went to the so-called ABC industrial belt south of São Paulo, Brazil, to talk to workers at GM's oldest plant in the country, in operation since 1930.

Workers at the plant in São Caetano do Sul told the WSWWS that their union had maintained a complete blackout on the struggle by their counterparts in the US. All of them agreed that in Brazil—as in North America—the union had been transformed into virtually another branch of the company, ramming through its demands in face of continued opposition and attempting to demoralize workers with threats of layoffs and plant closures.

The workers condemned the union for pitting them in competition with their class brothers in other plants, represented by other unions, even if only a hundred kilometers away in the same state in Brazil.

WSWS reporters distributed a Portuguese translation of the WSWWS Perspective, “The struggle of autoworkers against GM, Ford, and Chrysler requires a global strategy.”

The discussions were held under conditions in which Brazilian workers are also showing a growing willingness to join the global upsurge in class struggle that had already been signaled by the wildcat strike of Mexican workers in Matamoros at the beginning of the year.

Growing militancy has not escaped the attention of the state. *Folha de S. Paulo* reported that the country's Intelligence Chief, Gen. Augusto Heleno, has been holding frenetic meetings with judges from the Labor High Court (TST), who warned him that the austerity measures imposed by the government, including the freezing of wages of public sector workers, could trigger widespread social unrest.

The government is reportedly worried that a strike begun last Wednesday by 115,000 workers at the Brazilian Post Office (ECT) could quickly spread to the 70,000 workers at the state-run oil giant Petrobras if the government insisted on freezing wages in face of the 4 percent inflation rate over the last year,

and after years of economic crisis. ECT workers went on strike after the company proposed an 0.8 percent wage increase. They are also opposing plans to privatize the company, resulting in the destruction of jobs and living standards.

Brazilian unions, dominated by the Workers Party (PT), the official opposition to the far-right government of President Jair Bolsonaro, have responded to the assault on living standards waged by the government by attempting to suppress any opposition among workers, even as Brazil faces the worst economic crisis in its history, with GDP falling 8 percent between 2015 and 2016 and industrial output still 15 percent below the 2011 historical peak.

The financial daily *Valor* reported on Monday that the number of strikes this year had declined by 41 percent compared to the same period in 2018, even in the face of the imminent approval of the government's hated “pensions reform,” robbing active and retired workers of US\$ 425 billion over 10 years, and raising the retirement age to 65—nothing less than 10 years above the life expectancy of workers born in the slums of São Paulo, South America's richest city, and representing 10 percent of Brazil's GDP.

Anger among workers is spreading as, three years after the official “end” of the crisis, unemployment stands at 13 million workers, or 12 percent of the workforce. In the largest industrial concentration in South America, the São Paulo Metropolitan Region, where not only GM, but also Ford, Toyota, Mercedes-Benz, Scania, Saab and Volkswagen have plants located only a few hundred meters from each other, it stands at 17 percent.

The continued economic slump is also exposing the lies told by the unions for over a decade that endless concessions, including wage cuts, layoffs, introduction of contract work and strike bans, would save jobs by making plants “competitive.”

Not only has the ABC GM plant lost 25 percent of its workforce, today employing only 9,300 workers, but Ford decided to shut down its operation in the region entirely, firing the 4,500 workers at its plant and threatening the destruction of 27,000 jobs in the auto parts industry. The reaction of the ABC Metalworkers Union was, predictably, to lobby the state government and ABC mayors to offer tax breaks to entice another company into buying the plant. In September it claimed

as a “victory” the fact that the local Caoa group intends to buy the plant, keeping on just 800 workers with a 30 percent cut in wages.

At GM, unions lobbied the state government for a 25 percent tax break in exchange for US\$2.5 billion in investment, while agreeing to a two-tier wage system at the São José dos Campos plant, 90km north of the ABC region, which was threatened—together with the ABC plant—with permanent shutdown. The tax breaks were then compounded with an exemption of land taxes by the city council. This all came on top of the union’s claim that a 2017 deal slashing wages for new hires would guarantee new investments “for 15 years.”

Those concessions are once again deemed “insufficient.” Renewed threats against the plants loom, as the company announced the axing of 125 engineering positions at the development center at the plant on September 9, out of a total of 185 engineers it is firing throughout Brazil. The union president, known by the nickname Cidão, responded in typical spineless fashion: “The downsizing of the development center is inevitable, we know it. Last year they had already relocated another 300 engineers to the US.”

Two factors are being used once again to justify local governments, and above all workers, “doing more” to please GM. The first is the sharp acceleration of the economic crisis in neighboring Argentina, the destination of 60 percent of Brazilian car exports, which have so far been cut by 35 percent. Volkswagen has responded by suspending its sales to the country entirely until 2020. The second is the implementation of a free trade agreement with Mexico, to which the unions had only the reactionary nationalist answer of demanding protectionist measures from the government of Brazil’s fascist President Bolsonaro.

Workers nonetheless have become increasingly aware of the dead end such policies represent, and of the role of the unions in promoting them.

Aparecido, a worker at the São Caetano do Sul GM plant, told the WSWs that there were huge expectations in relation to the next contract negotiations in 2020 after three years without any wage increase. He denounced the union for failing to follow the decisions voted upon by the workers, as in the recent deal promising 400 new-hires, which actually resulted in the replacement of senior workers. “We vote for something but never get to see the records of our meetings,” he said. “This is absurd, even condominium meetings must have records; how come we can never discuss ours?”

Marcos, a tool shop worker, told the WSWs: “If workers don’t know exactly what is happening in the US, this is the union’s fault. The truth is that the union hasn’t helped a lot in these last years.” Pointing to the explosive implications of the US strike, he said: “To tell you the truth, there is a fear about going out on strike, with all this union talk of endless closures.” He added, “They now work to win us to the company’s interests, instead of the other way around.” He encouraged the

WSWS team saying: “I see what you are doing. You are not only here to check things out, but to bring this information to us past the union’s blackout. This is very important.”

José, who works supplying the assembly line, discussed the need to break with nationalism and its main propagandist within the working class, the unions. He said: “We are pushed all the time against workers in other countries in order to boost the company’s profits. We are told this is for our benefit, but it is for theirs. And that is how capitalism works.” He added: “There is no alternative. If we don’t [coordinate across borders] we will all end up in poverty. Recent agreements are taking a huge toll; we lose a lot with each new contract.” He also expressed skepticism about the promised investments in the plant. “What we see is that we agreed to lower the wages for new hires, but what happens is older workers are being fired and replaced by new hires at these lower wages.”

The WSWs team also spoke to José about the election of Bolsonaro, which the pseudo-left tendencies in Brazil, and even the unions, attributed to the supposed backwardness of the working class. In particular they blamed the militant workers of the ABC district—a previous PT stronghold—who, after four decades, broke with the party in the 2016 elections. The PT was defeated in every municipality in the region. “The truth is that what we saw in the vote for Bolsonaro was a huge expression of dissatisfaction with what was happening,” he said. “I didn’t vote at all, but we have rapidly seen how anger is building against the government on the factory floor, we can see that the disappointment is huge.”

Xavier, a contract worker from the plastic recycling sector also spoke about the slanders against workers who repudiated the PT, saying: “What happened was a huge protest. I had voted for the PT all my life until the Dilma [Rousseff’s 2014] re-election.” Asked about the slandering of workers by the petty bourgeois left claiming there were no grounds to break with the PT except for bigotry, he reacted strongly: “That’s not true, people want to fight for their rights.”



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