

# A socialist response to the global jobs massacre in the auto industry

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*The WSWs Autoworker Newsletter will host a call Thursday, December 5, 7 pm EST to discuss a strategy to fight the sellout of FCA workers and mobilize autoworkers against the global assault on jobs and wages. To register, go to: [wsws.org/autocall](http://wsws.org/autocall).*

On Tuesday, the German automaker Audi announced 9,500 job cuts over the next five years, with one out of every six workers losing his or her job.

This announcement is part of a global jobs bloodbath in the auto industry. Since the beginning of the year, some 350,000 auto jobs in India and 220,000 in China have been destroyed. With the agreement of the union-aligned works council, Volkswagen has eliminated 30,000 jobs over the past three years, while increasing productivity by 25 percent over the same period.

Ford is currently eliminating 12,000 jobs in Europe and 7,000 in North America. Nissan is cutting 12,500 jobs worldwide. General Motors is closing four plants in the US and Canada and slashing 8,000 jobs. Similar plans exist at Daimler, BMW, PSA and other automakers.

The situation is even more dramatic in the parts industry. Continental has announced plans to eliminate 20,000 jobs in the coming 10 years. Bosch has already slashed 2,500 jobs in Germany this year and plans to cut a further 3,000 by 2022. Other parts suppliers, including ZF, Schaeffler and Mahle are also doing away with thousands of jobs.

These developments make clear that workers need an internationalist perspective and a socialist programme to oppose the attacks on their jobs, working conditions, and wages.

They confront not only globally operating automakers and their billionaire shareholders, but also the trade unions and works councils, which collaborate with management to draw up the cuts and help implement them. Without breaking from these corrupt, pro-company apparatuses and establishing independent rank-and-file

committees to unite their struggles internationally, workers cannot defend a single job.

This is made particularly clear by events at Audi. The elimination of jobs at the company was prepared and planned in months-long secret talks between management, the trade unions and the works council.

“There are no desperate demonstrations with red flags in front of the plant gates,” wrote a somewhat surprised *Süddeutsche Zeitung*. “On the contrary, the plan and the number of cuts were worked out by (Audi CEO Bram) Schot in cooperation with the works council, and both sides almost sounded euphoric on Tuesday.” Works council Chairman Peter Mosch praised the jobs massacre as an “important milestone.”

The automakers and trade unions justify the attack on jobs and the wages by pointing to the global decline in sales and the introduction of autonomous and electric vehicles, which entails high development costs but fewer steps in the production process.

In fact, developments in the auto industry show the absurdity of the capitalist system, under which technological development is used to intensify the exploitation of the workers, fill the pockets of a tiny super-rich elite, and throw hundreds of thousands into poverty. It provides a powerful argument for the transformation of the global auto industry into socially owned property, its placement under workers' control, and its organisation on a world scale according to a rational plan to meet human need, not private profit.

The global automakers are using new technologies as a battering ram to destroy the rights and achievements secured by workers in the course of decades of bitter struggles. These attacks began in the 1980s and autoworkers' wages have stagnated or declined ever since.

Temporary and contract employment and other forms of precarious work have long become a prominent feature of the auto plants, with the approval of the trade unions. In

the United States, the Obama administration restructured General Motors and Chrysler by halving the wages of all new-hires. Starvation wages in Asia, Latin America, Africa and Eastern Europe are being exploited to push down wages everywhere.

The introduction of automation and artificial intelligence is not being used to make work easier, but to “Amazon-ize” it, i.e., to oversee and control every action and every second of the work day. To slash development and production costs, and conquer new markets, automakers are merging to form ever larger companies. PSA (Peugeot) and Fiat-Chrysler recently agreed to join forces to form the world's fourth-largest automaker, behind Renault/Nissan, VW and Toyota.

The world market is dominated by huge monopolies that dictate wages and prices, and wage a bitter struggle for market share, which increasingly coincides with the imperialist powers' preparations for war.

Growing numbers of workers are resisting these attacks. In Matamoros, Mexico, tens of thousands of highly exploited workers in the auto parts industry downed tools for several weeks earlier this year. In the United States, 48,000 GM autoworkers participated in the longest strike in 50 years. Strikes by autoworkers have also taken place in India, China, Romania, Hungary, the Czech Republic, Germany, France, Britain and other countries.

But wherever these militant struggles break out, they immediately come into conflict with the trade union bureaucracy, which sabotages them and sells them out. Germany's IG Metall, the United Auto Workers in the United States and the other unions long ago ceased to be workers' organisations that struggle for social improvements and reforms. Instead, they function as co-managers and a labor police force in the plants, tasked with intimidating workers and imposing management's diktats.

This role is determined both by the trade unions' social position and their political program, which are inextricably connected.

The trade union functionaries and works councilors earn incomes that workers can only dream of. This may take different forms from country to country, but the essence remains the same. In the United States, UAW President Gary Jones and other leading officials were forced to resign after stealing millions of dollars in trade union funds. In Germany, payments for the trade unions' services are legally codified in the system of so-called "co-determination." Works council chairs like Berndt Osterloh (VW) and Peter Mosch (Audi) earn annual salaries in the

upper-six-figure range.

The trade union bureaucrats are hostile to the class struggle and are nationalist to the core. Like the corporate executives, they see their task as securing a competitive advantage for their “own” corporation against its domestic and foreign rivals. To achieve this, they are prepared to agree to anything, from wage cuts to mass layoffs and the shutdown of plants, like the Opel plant in Bochum. If they occasionally call strikes or protests, they do so only to let off steam and prevent the mounting opposition among workers from escaping their control.

To suppress the class struggle, the union executives aim to establish the closest cooperation with the governments and the corporations. For example, Roland Zitzelsberger, IG Metall head in the state of Baden-Württemberg, a centre of Germany's auto industry, recently boasted in an interview about the so-called transformation council. This council includes trade union officials, works councilors, corporate executives, government representatives and academics, who gather around a table to discuss economic strategies. This form of class collaboration found its most finished form in the corporatist state of Italian fascism during the 20th century.

To break out of the trade unions' suffocating grip, the *World Socialist Web Site* and Socialist Equality Party call for the formation of rank-and-file committees opposed to the trade unions and works councils.

In contrast to the unions' pro-capitalist and nationalist policies, these action committees will base their strategy on the rights and requirements of the workers, which are irreconcilable with those of the capitalists.

In response to the global strategy of the transnational auto companies, rank-and-file committees will advance their own international strategy aimed at unifying autoworkers across the world in a common struggle to defend the right to secure and good-paying jobs for all workers. The *World Socialist Web Site* will do everything in its power to assist autoworkers in building rank-and-file action committees, establishing lines of communication across factories and national borders, and building the leadership in the working class that is necessary to put an end to capitalist exploitation once and for all.



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