

Air France-KLM prepares to slash at least 6,000 jobs

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The ruling classes worldwide are seizing upon the COVID-19 pandemic to restructure the capitalist economy, slashing hundreds of thousands of jobs, benefits and social conditions. After French President Emmanuel Macron announced a €15 billion aerospace industry bailout, Air France-KLM is preparing to slash thousands of jobs after having received €7 billion in state funding.

Major European corporations deemed to be strategic are being restructured based on the €1.35 trillion in money printed by the European Central Bank (ECB) and the €500 billion French state bailout to boost profits by slashing jobs. After tens of thousands of jobs were cut in the auto industry including at Renault and Nissan, it is the airlines' turn. British Airways is cutting 12,000 jobs and Ryanair is preparing 3,000 job cuts. Lufthansa wants to cut 22,000 full-time and 4,000 part time jobs. Airbus is to cut over 10,000 jobs, or 10 percent of its workforce.

Wednesday morning, the Air France-KLM board was brought together by president Anne-Marie Couderc and CEO Benjamin Smith. It announced a record loss of €1.8 billion in the first quarter, although in that period, air traffic was seriously impacted only in March.

The daily *Libération* reported that Air France-KLM "is paying not only for the stupendous collapse of its revenues, because most of its planes are stuck on the ground, but also for the low price of petroleum." It had agreed to buy kerosene in advance at a price which is now well above the market price after the collapse of oil markets due to the pandemic. Now it is sitting unused, leaving a €500 million hole in the corporation's bottom line.

The very gradual regrowth of air traffic does not help Air France-KLM: its flights to America, Asia and Africa are the most profitable but they are generating

no revenue because the European Union's (EU) Schengen zone borders are closed. The company anticipates massive losses in coming quarters.

It has announced cuts in investment from €3.6 billion to €2.4 billion, including cancelling the purchase of three long-range Airbus jets this year. But the cost-cutting measures will affect jobs the most brutally. According to *Libération*, during the corporate board meeting, "the two representatives of the French state did not make even the slightest comment" when the plans for job cuts were announced.

Smith did not announce any specific figures, but he reportedly plans to slash jobs in administrative services and in Air France's regional flights. Its regional subsidiary Hop is to see the number and volume of flights cut by half. According to a member of management who spoke anonymously, 6,000 to 10,000 jobs will be cut out of 80,000 total.

Aerospace workers, like autoworkers, are not responsible for the losses in these industries, nor for the pandemic. The hundreds of billions of euros forked over to the banks and big corporations must go to save jobs and boost wages and benefits, through the nationalization of firms under workers control at the European and international level. This requires a political struggle by the working class, aiming to take power, expropriate the financial aristocracy and build the United Socialist States of Europe.

To fight the attacks now being planned, workers need to build their own action committees, independently of the unions and their political allies to organize a political struggle against Macron and the EU.

Workers at Air France-KLM must be warned that the state, Air France and the union bureaucracies are negotiating attacks behind their backs. All are agreed upon the plan to slash jobs. The unions did not try to

mobilize workers to take strike action against job cuts, because they are already negotiating them outright with Benjamin Smith and the rest of management. Air France-KLM workers already have a long experience with the treachery of Air France unions.

Already in 2014, Air France workers faced several corporate restructuring plans slashing several thousand jobs and cutting wages, with the complicity of the National Union of Airline Pilots (SNPL) and the Stalinist General Confederation of Labor (CGT) unions. That year, Air France pilots struck for 14 days against plans to develop a low-cost subsidiary, Transavia. The strike not only cost the company hundreds of millions of euros but staggered the unpopular government of then French President François Hollande.

Like Hollande's social-democratic government, the unions feared that this strike, which enjoyed broad popular support, could encourage broader strike action in the working class.

Manuel Valls, the social democratic prime minister, intervened to demand the end of the strike, which the SNPL rapidly did, claiming that it "is our duty to preserve the company's future and to bandage its wounds before irreparable damage is done."

In 2018, as French rail workers struck against Macron's rail privatization plan, Air France workers also took strike action alongside students protesting university reform plans. Air France unions ended the strike, however, after Smith was named CEO, to avoid a broader political movement against Macron that would have escaped the unions' control. This allowed the unions to isolate striking rail workers from other layers of workers, ensuring passage of the rail privatization and preparing Macron's pension cuts.

Now, amid the pandemic, the unions are preparing another attack on the members they claim to represent. They will try to play different sections of the workforce against each other to divide Air France-KLM workers, as a pilot with a long trade union record told *Libération*: "Benjamin Smith has ceaselessly told us in French and in English that we are the leaders of the company. The pilots are won over by his rhetoric, especially given that he knows air transport much better than his predecessors at the head of the company."

Despite what this union official claims, pilots will also be impacted by layoffs and will oppose the

corporation's cost-cutting plans. The defence of their jobs and working conditions requires unifying their struggle with those of other layers of workers in the corporation. Indeed, this declaration signifies in the final analysis that the SNPL will not try to mobilize the pilots, in order to divide and weaken the Air France-KLM workers' struggle.

The period since 2018 has seen many social struggles organized independently of the unions, like those of the "yellow vests" in France or of Portuguese nurses. Now it is essential to organize struggles independently of the unions, in committees of action, to defend jobs and wages internationally—thus including workers both at Air France and at the Dutch firm KLM—threatened by social attacks caused by the pandemic.



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