

# Bridgestone, Total shut plants as COVID-19 layoffs sweep Europe

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After receiving trillions of euros of public money from the European Union (EU) supposedly to alleviate the economic impact of the COVID-19 pandemic, French and European employers are restructuring the economy with mass layoffs and austerity plans.

Last week, the Total oil group announced the conversion of its Grandpuits refinery near Paris into a “zero oil platform.” That involves 150 job losses at Total itself, and the firing of 50 temp workers and 500 employees of Total subcontractors.

In mid September, the Bridgestone tire company said closing its factory in Béthune was the only option to “safeguard the competitiveness of its operations in Europe.” After having received millions of euros from the French state, supposedly to improve the Béthune factory’s competitiveness, Bridgestone declared that the plant could not face competition from Chinese tires. The corporation refused any further investment that would allow the factory to make more high-quality tires.

According to well-known Paris labour lawyer Fiodor Rilov, “there is simply a determination on the company’s part to boost profitability. Bridgestone Group’s operating profits were €4 billion in 2018 and €3 billion in 2019, more than Michelin and Goodyear. ... Politicians’ last-minute intervention is hypocritical and cynical. Most of the laws that ordinarily would have avoided the dismantling of a factory like Bridgestone have been dismantled. This is the product of reforms introduced by Emmanuel Macron when he was the Economics minister.”

After announcing the destruction of 15,000 jobs worldwide, global giant Airbus unveiled an “adaptation plan” for COVID-19 last week to the European works committee at Blagnac, near Toulouse. Airbus France presented a collective performance plan involving wage

freezes and the destruction of fringe benefits (bonuses and accumulated time for holiday periods).

Using European bailout funds, the French state is leading a restructuring of the economy to massively destroy jobs and companies deemed uncompetitive. It pursues a violent class policy. Bailed out with trillions taken from the public purse, the financial aristocracy and top corporate executives aim to reduce millions of workers and small businesses to poverty.

Economy Minister Bruno Le Maire virtually boasted that companies “will be obliged to reduce their staff. Consequently, we expect in the coming weeks and months a high number of layoffs and bankruptcies.”

“When you anticipate a 50 percent drop in your turnover, your options are limited,” one economist told Europe1 radio. A government inter-ministerial delegation on industrial restructuring has recently received a large increase in its budget.

The offensive against social and democratic rights of workers launched in Europe after the Stalinist dissolution of the Soviet Union in 1991 is accelerating and deepening. Ten years after governments intervened to bail out the banks following the 2008 crash, mass layoffs and austerity are boosting profits by intensifying the exploitation of the working class.

After having virtually been halted by COVID-19, the world economy is undergoing a drastic restructuring process that had begun before the pandemic. Hunting for profits, companies respond to the shrinking of the world markets by working to destroy jobs. The worst-hit sectors are those connected to mobility (transport, especially airlines or maritime, and hotel businesses) and underlying sectors (heavy manufacturing and catering).

Already a few days after the end of lock-down, major European companies had announced tens of thousands

of layoffs. Now, governments across Europe are preparing a wave of layoffs at the end of the year and beginning of 2021.

On September 11, Volkswagen's truck construction subsidiary announced its intention to cut 9,500 jobs, a quarter of its global workforce, to save €1.8 billion. A decision is pending on the future of the factories at Steyr in Austria, at Plauen and Wittlich in Germany.

In Germany, plans to cut jobs in automobile construction are already launched. On September 9 the parts supplier Schaeffer announced the destruction of 4,400 jobs, while Continental is considering cutting 30,000 jobs worldwide, half of which are in Germany.

In Spain, hotel owners demonstrated in Madrid on September 9 calling for government aid. It is reported that 400,000 jobs have been sacrificed in this sector.

In France, many layoffs are planned, but the biggest have yet to be announced. According to a lawyer for the firm De Gaulle-Florence, Déborah David, "Many companies are contacting us to know the procedures and what they could do to absorb the effects of the crisis. But mainly they seek information for later use."

The policy of mass layoffs and EU bank bailouts is the economic component of the criminal herd immunity policy of reopening of schools and return to work in non-essential industries employed by the European and international bourgeoisie amid the pandemic. These policies, which place millions of workers' lives at risk, are supported by the trade unions.

The fight to defend jobs and social rights must have as its watchword the expropriation of the European bourgeoisie, made possible by the creation of action committees in the working class independent of the trade union bureaucracies, for the taking of power by workers and for building the United Socialist States of Europe.



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