

Brazilian unions suppress workers' opposition to mass layoffs following Ford shutdowns

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14 February 2021

One month after Ford announced the closure of all three of its remaining plants in Brazil, other companies linked to its production chain are dismissing their workers, unleashing a wave of layoffs affecting the most diverse sectors of the auto industry. According to research by the Interunion Department of Statistics and Socioeconomic Studies (DIEESE), the 5,000 layoffs announced by Ford spell the potential destruction of another 118,864 jobs, resulting in a loss of 2.5 billion reais (US\$465 million) in annual wages.

Based on this perspective, one can predict a wave of opposition among Brazilian workers. On January 26, about 800 workers at the auto parts manufacturer Arteb, located in the ABC industrial complex in São Paulo, went on strike to protest against 200 layoffs. Founded in 1934, Arteb produces headlights and headlamps for major automakers, and blamed the layoffs on the Ford's closures in Brazil. Workers were fired by mail.

The strike was led by the ABC Metalworkers Union (SMABC), affiliated to the Workers Party (PT)-controlled CUT federation, and was ended within just two days. The union acted quickly to keep the strike isolated, without making any call to other workers in the region who will soon face the same situation. Attributing the layoffs to the company's previous financial problems and the already "normalized" high unemployment rate in the industry, SMABC's general secretary, Moisés Selerges, proposed ending the strike.

"The situation was complicated. It's not only the issue of Arteb, but the industry as a whole. Industry is under water because this government has no industrial policy," said Selerges during a meeting with the workers. "As I told you in the beginning, the union was heading to a possible agreement. So this was the possible agreement that we reached."

The "possible" agreement reached by the union accepted the 200 layoffs. Even in the face of this clear defeat for the workers, the union still tried to boast that the negotiation had

"guaranteed" severance pay, the extension of medical benefits until September and payment for the days on strike.

An announcement on the SMABC website on January 21 had already warned about the generalized nature of the "Ford effect," which is evident from the recent reduction of working hours in the factories in the ABC region that used to serve the automaker.

"With the announcement of Ford's closure, we are concerned about a domino effect on auto parts in our region, since several companies supply products to the automaker, including the auto parts plants," said another union official, Genildo Dias Pereira. "In São Bernardo, just as an example, we have Samot, Fiamm, Rassini, ZHS, Mahle, Selco, among many others. Not to mention Arteb, which is already closing its Camaçari plant [in the state of Bahia, where Ford had one of its factories] after the decision."

This statement reveals that the SMABC already foresaw the layoffs at Arteb and other plants. Their action during the strike exposes the decisive role of the unions in this process: any spark of resistance must be rapidly extinguished so that it doesn't spread into a generalized movement of the working class.

While the CUT fulfills its role in the ABC region, its branch in the city of Taubaté, in the countryside of São Paulo, is working to control the anger of 830 workers fired from one of Ford's plants. Since the closure was announced, a group of employees has taken turns to maintain a permanent vigil in front of the plant, preventing its machinery from being removed. The Taubaté Metalworkers Union (Sindimetau), however, is working to divert the workers away from any concrete struggle against capitalism, and in fact pushing all "earthly issues" aside.

In a motorcade held on January 29, the Sindimetau union officials led the workers in a religious ritual, taking about 300 cars to Brazil's largest cathedral in Aparecida. Reporting on the motorcade, the union declared: "Messages from the 'Worker of Nazareth' in the fight against the

scourge of unemployment strengthened workers at the mass this Friday at the National Shrine of Aparecida.”

As it tries to calm workers’ anger with religious sermons and hopes for a miracle falling from the sky, the union is increasingly disarming their struggle, trying to divert it into purely legal and parliamentary channels.

Three civil inquiries were opened by the Public Ministry of Labour in the regions where Ford is shutting down production. On February 5, decisions by two labor judges suspended the possibility of collective dismissal of Ford employees working in the Taubaté and Camaçari plants.

According to Judge Andréia de Oliveira, head of the Second Labor Court of Taubaté, “The size of the company, the number of direct and indirect jobs affected and the social impact to the country do not allow for a simplistic solution to the case.” The judge responsible for analyzing the Camaçari case, on the other hand, stated that any mass layoffs without communication and negotiation with the union “will be full of insurmountable vices, violating the constitutional rights of the workers.”

The court decisions, however, are temporary, conditioning the suspension of the layoffs on the negotiation of severance pay with the respective unions.

According to a report on the UOL Cars website, Ford has already allocated US\$ 4.2 billion for the shutdown of its operations in Brazil. Most of this amount will go to compensation for dealerships, factory workers, suppliers and companies providing services at the plants, as well as paying off outstanding loans from the Brazilian Development Bank (BNDES).

Everything indicates that the workers will confront a tentative agreement negotiated between the unions and Ford, similar to the one reached at the São Bernardo do Campo plant, which was closed in 2019. The unions are following the same political roadmap used by the SMABC then. On that occasion, the *World Socialist Web Site* analyzed:

“When the news of the Ford closure broke, the SMABC did everything in its power to wear down the workers, who went on a 42-day strike. The union discouraged any move to occupy the plant or actions to widen the struggle. The union instead told striking workers to go home and wait for negotiations. It refused to call for any unified action with contract workers or the 20,000 affected in the auto parts industry. It finally shut down the strike on management’s terms, acting in collaboration with the São Paulo government, which announced it would serve as an intermediary in Ford’s negotiations with Caoa [the company that first signaled interest in buying the plant].”

As is now known, no other car manufacturer took over the plant, and the area was bought to be possibly transformed into a logistics center or a shopping mall. However, Julio

Bonfim, president of the Camaçari Metalworkers Union and Maoist Communist Party of Brazil (PCdoB) official, is now using this very promise—that another carmaker will take over production at the plant—to deceive the workers.

While working with the governor of Bahia, Rui Costa of the PT, on a committee searching for companies interested in operating the automotive park, Bonfim is already taking the layoffs for granted, calling only for severance pay. “If Ford has closed its activities and there is no chance of remaining in Camaçari, then let them negotiate severance pay in a fair way,” he said.

No severance pay can compensate for the overwhelming consequences of the massive unemployment to come. Of the nearly 6,000 workers employed by Ford in Brazil today, 4,600 (75 percent) of them work at the Ford Complex in Camaçari. Much of the city’s economy is dependent upon the industrial complex. The city’s mayor has already announced cuts in public education and health care in response to the loss of 10 percent of tax revenue, while demand for these services will only increase as thousands of workers lose their medical care after being thrown out of work.

It is significant that while all the unions involved are associated with the same political forces, ultimately the Workers Party, no unified struggle is being organized among the workers they purport to represent. It is necessary that workers draw the lessons of the betrayal of the struggle against the 2019 closure of the Ford plant in ABC. This means breaking with the union leaderships that are leading them into another devastating defeat and building independent rank-and-file committees to organize a united struggle against layoffs and plant closures.



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