

Spanish trade unions sell out El Corte Inglés struggle

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The trade unions of one of Europe's largest retailers, El Corte Inglés, have accepted over 3,000 redundancies without even a semblance of a fight. They are now encouraging their members to voluntarily sign up to the redundancy scheme agreed with management.

This is the largest layoff so far this year, inaugurating a renewed onslaught on jobs not seen since the 2008 global economic crisis. It is estimated that big corporations are preparing over 23,000 redundancies in the coming months. This is on top of preparations for wage cuts, casualisation and layoffs after furlough schemes affecting 900,000 workers end in late May.

The showering of billions of euros on the corporations is now being paid through redundancies supposedly to improve “competitiveness,” and also with the European Union's herd immunity policy of reopening the economy amid the pandemic to extract profits at the expense of lives. The result has been resurgences of the pandemic and a catastrophe for the international working class, with more than 136 million infections and 2.9 million deaths worldwide so far.

On March 22, the four main unions in El Corte Inglés—the Podemos-linked Workers Commissions (CCOO), the Socialist Party (PSOE)-affiliated UGT, FETICO (Federation of Independent Trade Workers) and FASGA (Federation of Trade Union Associations of Department Stores)—signed a sell-out with management.

They agreed to 3,292 redundancies. Workers will receive severance pay of 33 days per year up to a maximum of two years' salary plus a compensation premium dependent on seniority. Those with over 15 years' seniority will receive a payment of 20 percent of their annual gross salary; those with 10 to 15 will receive 10 percent; and those between five and 10 years will receive 5 percent. Those with less than five years, mostly younger workers, will receive no compensation premium.

The agreement also opens the door to further layoffs.

Contrary to its previous claims, El Corte Inglés is now alleging that this redundancy scheme is due to “structural reasons,” not related to the COVID-19 pandemic. Their claim is that they need to adapt their labour structure to new market conditions. Underlying this is the ferocious struggle against online sales giant Amazon and its model based on subcontractors and a low-paid and super-flexible workforce.

This legal technicality, as the unions well know, means El Corte Inglés will propose future redundancies on the same basis. One indication that it is preparing new such attacks is the fact that workers over 50 have consciously been excluded from this redundancy scheme. This suggests the company may aim to provide severance payments to younger workers whose compensation schemes will be cheaper, while sacking the older, more expensive workers, later.

The unions have not even tried to posture as opposing the mass sackings, despite the firm's promise not to apply any “collective process of redundancies” and to “rejuvenate the workforce.”

It is clear now that this document signed with the trade unions in May 2020 was just an attempt to suppress growing anger. It took place soon after mass strikes erupted against the homicidal response of the ruling class to the pandemic—with a series of wildcat strikes in the auto industry, steel mills, shipyards and transport sector throughout Europe and North America. Most of these actions took the form of a rebellion against the unions, which kept workers in the plants and workplaces despite the spread of the deadly disease.

The firm and the union were biding their time. The firm has now closed—or is planning to close in the following months—15 of its shopping centres.

The unions are now trying to convince their members to join the scheme on a voluntary basis. FETICO general secretary Antonio Pérez cynically stated that there is a

“very complex situation in the company supported by a technical report prepared by the consulting firm Deloitte” and that “it is clear that El Corte Inglés has surplus staff.” Pérez shamelessly encouraged workers to voluntarily join the scheme “to make the process as lightweight as possible.”

It is critical to consciously work through the lessons of the El Corte Inglés betrayal, so this knowledge can inform the next wave of struggles that will inevitably emerge.

First, the union bureaucracies do not wage the class struggle, but are hostile to it. They no longer perform any of the functions—such as a defence of workers’ basic economic interests—with which they were identified in an earlier period. Instead, they collaborate with management on wage cuts, redundancies, and “flexibilising” the workforce. They agree to “social peace” with governments by devising attacks on pensions and labour reforms.

The basic cause of this is not the subjective characteristics of union leaders but profound changes in world economy—above all, the globalization of capitalist production. This process has completely undermined the nationalist perspective of the trade unions, under conditions where transnational corporations can shift production to virtually any country in search of cheaper labour. They have now become the chief enforcers of social attacks on workers.

Second, there is the role of the “Left Populist” Podemos party. While it claimed its entry into a PSOE-led government would shift policies to the left, the government in fact increasingly adopts far-right policies. This is most clearly expressed in the herd immunity policy that has left over 100,000 dead and 3.3 million infected in Spain.

Podemos’ Labour Minister, Yolanda Díaz, successor of Podemos leader Pablo Iglesias for the next general elections and his substitute as deputy prime minister of the government, made clear that the unions play a vital role in suppressing the class struggle.

She recently said: “Thank you, dear Pepe [Álvarez, general secretary of the UGT union], Unai [Sordo, general secretary of CCOO], Antonio [Garamendi, president of the CEOE employer association], Gerardo [Cuerva, of the Cepyme small business employers], thank you for your generosity and the shared strength to find common agreements.”

This was in reference to the agreements over the past year with big business which have showered corporations and banks with billions, provided them with furlough

schemes, and enforced back-to-work and back-to-school to allow companies to continue extracting profits amid the pandemic.

Finally, there is the role played in workers struggles by Podemos’ political satellites. These forces orbiting Podemos do not seek to challenge, let alone expose, the role of the trade unions. Instead, speaking for the same affluent middle-class layers as the union bureaucrats themselves, they seek to corral workers back to the unions, promoting illusions in the unions precisely at the point when their treachery emerges in the open.

This was clear in the reaction of Spain’s Morenoite Corriente Revolucionaria de Trabajadores y Trabajadoras (Workers’ Revolutionary Current, CRT) which publishes *La Izquierda Diario*. Posting one article, and only after the agreement was signed, it denounced the role of CCOO and UGT, only to conclude with a renewed call for “recovering” the trade unions. It said: “We urgently need unions that defend jobs and not negotiate layoffs, we need to organise and recover the unions so that we, workers and the people do not continue to pay for the crisis.”

The lessons must be learned. The working class must forge a new political leadership and build rank-and-file committees, independent of the unions, Podemos and all the pseudo-left. These should aim to prepare strike action against redundancies, wage cuts, and immediate measures against the pandemic, such as the closure of schools and all non-essential production, and demand full compensation for workers and small businesses until the population is widely vaccinated and the pandemic is under control. This must be combined with the fight for a socialist program, including the expropriation of the financial aristocracy, and other health care measures necessary to wipe out COVID-19.



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