Spanish trade unions agree to 3,000 layoffs at BBVA bank

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Major Spanish corporations and banks are using the coronavirus crisis to implement long-planned mass redundancies and rationalisation plans even as they reap billions in profits.

In the latest outrageous betrayal by the trade unions, the CCOO and UGT federations have agreed to axe 3,000 jobs at BBVA (Banco Bilbao Vizcaya Argentaria) bank, one of the largest financial institutions in the world. This came just days after workers mounted the first strike in the sector for three decades.

The BBVA is Spain’s second largest bank after Banco Santander. Listed on the Madrid Stock Exchange, the New York Stock Exchange and the Mexican Stock Exchange, BBVA operates mainly in Spain, South America, North America, Turkey, and Romania. As of December 2020, BBVA's assets amounted to €736 billion, more than the annual GDP of the combined ECOWAS countries covering nearly 400 million people in West Africa (Benin, Burkina Faso, Capo Verde, Ghana, Guinea, Guinea-Bissau, Ivory Coast, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Gambia and Togo).

BBVA earned €1.32 billion between October and December 2020, its highest quarterly result over the past two years, amid a pandemic that has pauperised billions of workers and ruined small businesses throughout the world. Despite this windfall, in late April BBVA announced its intention to lay off 3,800 workers, 16 percent of the workforce, using a redundancy scheme.

This began the familiar process through which corporations worldwide are sacking tens of thousands of workers.

First, the company announces a redundancy scheme. Then the trade unions cynically posture as indignant and horrified. Claiming it was unexpected, they enter negotiations while calling token protests to let off steam. The company then announces a slightly smaller figure of job losses, allowing the trade unions to claim a victory.

At BBVA the CCOO posted a statement declaring that the proposed redundancies were “unsustainable and scandalous.” Workers “are going to be left without a source of income while senior management maintains and increases millionaire salaries, which does not correspond to the seriousness of the situation.” It then announced, “BBVA’s approach leads us to the path of mobilization.”

On May 10, 6,000 people took part in demonstrations in 15 Spanish cities, followed a week later with another national protest of thousands in 18 cities. The trade unions also organised partial hourly stoppages.

This time, however, few were convinced by such gestures, having seen how the trade unions reached agreements to cut thousands of jobs at CaixaBank (8,291), Santander (3,572), Sabadell (1,800) and Ibercaja (750), without any real fight.

BBVA workers demanded more militant action, so the trade unions reluctantly called a 24-hour strike on June 2. This won immense support with over 70 percent of staff participating. The trade unions did all they could to sabotage a united struggle of workers in defence of jobs. Rather than calling for a united struggle of the 18,000 bank workers facing similar redundancy schemes, CCCOO called for a token 30-minute “strike” at CaixaBank against the dismissal of 8,291 workers. The CCOO and UGT had in fact already agreed to these dismissals weeks before.

Terrified of the threat of unified opposition, the CCOO, UGT and Association of Banking Staff (ACB) agreed to a new redundancy scheme of 2,935 workers, just 800 less than the original figure. This represents 10 percent of the BBVA workforce and the closure of 480 offices.

CCOO described the agreement as "clearly due to the success of the massive strike that occurred throughout Spain." The UGT stated that "any reduction in the number of people affected is positive." Now the discussion was about other questions, like compensations and "the establishment of decent exit conditions."

This attack against bank workers, traditionally a well-paid sector of the working class, will be expanded to slash wages for the entire working class. Tens of thousands of white-collar and blue-collar workers are being forced to pay the price for the €70 billion handed out to the banks after the 2008 crisis and the €140 billion promised to Spain's banks and corporations from the European Union pandemic bailout funds.

Sensitive to rising opposition to the larger union, the CGT is intervening to play its role as a lightning rod. Specialised in posturing as more radical and combative to suck in disenchanted workers from the larger bureaucracies, it has refused to sign the redundancy scheme while making clear it does not oppose job losses. Its main criticism is that redundancies should be implemented through early retirements and paid leave.

The pseudo-left groups' "alternative" union has not proposed any plan of struggle, only banging pots and pans on Tuesday.

The CGT meet with the pseudo-leftist Podemos party, the Socialist Party's (PSOE) main coalition partner in government, to request a legislative change that would prohibit dismissals in companies with benefits. But they know perfectly well that Podemos, which controls the Ministry of Labour, will not change any law and is an avid supporter of these redundancy schemes. Podemos leader and Deputy Prime Minister of the government, Yolanda Díaz, has shamelessly declared recently, "Companies, in general, have behaved very well during the crisis caused by COVID-19."

During the first months of the year, 29 large companies have announced collective layoffs involving over 35,000 workers. These redundancy schemes have been particularly brutal in the banking sector. Since 2010, the banks in collaboration with the trade unions have carried out a total of 70 collective dismissal processes which have destroyed 100,000 jobs. To give an idea of the magnitude of the figure, this would fill the Camp Nou football stadium in Barcelona or Wembley Stadium in London.

Opposition among workers is mounting against these layoffs. Joan Sierra, head of the financial sector at CCOO, told *eldiario.es* that workers today "have no trust and concerns [are] growing." He warned that the banks "should take note of it." His counterpart in the UGT, Víctor Miravete, said that people now feel "threatened."

The union bureaucracy fears above all the emergence of workers struggles that break out of its control. Internationally, the most significant struggle is currently in the United States, were nearly 3,000 workers at Volvo Trucks New River Valley plant in Dublin, Virginia, are on strike after voting by 90 percent to defeat the second pro-company contract proposal agreed to by the United Auto Workers (UAW) union.

Workers have set up the Volvo Workers Rank-and-File Committee, organised independently of UAW, and are trying to broaden their struggle to other sections of the working class to break out of the isolation imposed on them by management and the union.

The *World Socialist Web Site* calls on all BBVA workers and others involved in similar struggles to also form rank-and-file committees, independent from and hostile to the trade unions bureaucracies and their pseudo-left supporters. Contact the WSWS for assistance in forming a rank-and-file committee at your workplace.