

Sabadell bank and Spanish trade unions prepare to sack 1,900 workers

Santiago Guillen
21 September 2021

The onslaught on jobs amid the COVID-19 economic crisis continues its course. Sabadell Bank has announced its intention to dismiss 1,936 workers, or 12.5 percent of the workforce. This is on top of the trade union-sanctioned dismissal of 1,800 workers last November.

Sabadell Bank is Spain's fourth-largest financial institution by volume of assets. Its assets are valued at 223 billion euros, with 2,402 branches, over 20,000 employees and 11.9 million clients. Even as the pandemic triggered the worst economic crisis since the Great Depression of the 1930s, it earned 220 million euros in the first half of the year, up 51.5 percent over the same period last year.

Presenting a profit report in the first half of 2021 with lucrative dividends for shareholders, Sabadell's financial director Leopoldo Alvear boasted: "We are already seeing tangible results in the improvement of efficiency and cost savings that we hope will continue to have a positive evolution in the next quarters." His "cost savings" were a reference to €100 million in cuts, including the plan to dismiss 1,900 workers and close 500 branches.

By the end of 2021, Spanish banks are set to destroy 18,000 jobs, or one in ten jobs in the banking sector in 2020. Since the 2008 global economic crisis, Spanish banks have laid off 105,065 workers and closed 23,673 bank branches, while earning profits of over €100 billion.

The banks have resorted to trade union-sanctioned redundancy schemes, known by their acronym ERE in Spanish. This year, Santander bank, the world's 16th largest banking institution, dismissed 3,600 workers. BBVA, the 42nd largest bank in the world, with around €676 billion in assets, dismissed 2,935. CaixaBank, Spain's third-largest lender by market value, dismissed 6,452 workers. At Liberbank, management is preparing to dismiss 1,000 of its 9,660 staff.

The banks have been able to launch this offensive against jobs due above all to the role of the trade unions. These are not "workers' organisations," but a labor police

force comprised of upper-middle-class executives tasked with isolating and suppressing the class struggle, inseparably integrated into the capitalist parties and state.

The announcements of these mass sackings follow a scheme now familiar to workers. First, management declares that hundreds or thousands of workers will be sacked. The unions then claim to be surprised and outraged by the numbers and start negotiations with management. In the final act of the whole well-staged process, an agreement is reached, with the initial number of job losses slightly reduced. The unions then present it as a great victory for the workers, while management claims the unions were "hard" negotiators but are satisfied with the result.

The unions then reap the rewards for their corporate services. For each ERE they receive a commission for each dismissal, which can reach up to 10 percent, in addition to fees they charge workers for legal advice. In short, the unions benefit in proportion to the number of jobs they destroy!

Ultimately, tens of thousands of jobs are destroyed through what the unions present as voluntary redundancies, financed at taxpayers' expense. The working class ends up paying the state to subsidise corporations to fire workers through the medium of the trade unions! More and more higher-paid jobs are eliminated, a process that serves to cut wages and benefits for the entire working class.

The same thoroughly scripted process is now unfolding at Sabadell.

Two weeks ago, the main trade union at Sabadell Bank, Workers Commissions (CCOO), reacted to the mass redundancy announcement by stating that it was "disproportionate, unreal and an insult to the entire staff."

CCOO was careful not to call a strike. Instead, it claimed, "there are alternatives, as the composition of the workforce allows undertaking a restructuring based on

early retirement and voluntary redundancies.” In other words, the trade union is accepting the framework of mass redundancies even before negotiations begin! On Thursday, CCOO staged a small protest at Banco Sabadell headquarters in Oviedo, as the bank was presenting its annual “Economic Research” awards.

CCOO will not defend jobs. Barely a year has passed since they last negotiated a mass redundancy affecting 1,800 workers in December 2020. When the bank announced the plan, the union posted a statement welcoming it as a “positive plan.” CCOO stressed that the proposed conditions guarantee that there will be no forced dismissals, and that “a significant number of people can leave the bank with conditions far superior to those that have been offered up to now.”

Mass anger is developing against corporate-union redundancy schemes. Aware of this opposition, the unions are consciously setting out to sabotage workers struggles, ensuring that workers remain isolated from their class brothers and sisters—even within the same industrial sector.

Earlier this year, the General Union of Workers (UGT) and CCOO called a one-day strike at BBVA to let off steam in response to an ERE targeting over 3,000 workers. The strike was the first in 30 years. Facing mass support for the strike, UGT and CCOO quickly closed off further strike action, fearing that it would extend to other banks where layoffs were being executed, and accepted a 10 percent reduction of the workforce.

In June, the unions organised two strikes on two different dates at CaixaBank against the ERE affecting thousands of workers. Just a few weeks later, in early July, they agreed to the mass redundancy. CCOO posted a statement claiming that, “After months of arduous negotiations, workers’ labour representatives have managed to transform the wildest ERE in the history of the Spanish financial sector into the best of the moment. [...] The 8,291 dismissals initially proposed by management has ended up being reduced to a maximum of 6,452 voluntary terminations.”

The working class can take forward its fight to preserve jobs and conditions only by breaking with the PSOE-Podemos government, the trade unions and their pseudo-left apologists. These include groups like the Morenoite Workers’ Revolutionary Current (CRT), which reacts to each betrayal by calling on workers to form a “united front” with the trade unions—the same organisations enforcing the attacks at the behest of big business.

This cascade of EREs marks the beginning of deeper

attacks on the working class that will intensify in coming months. The banks are set to benefit from the European Union’s COVID-19 pandemic policy of prioritising profits over human life to pay for the 750-billion-euro bailout fund.

Spanish banks and corporations are to receive 144 billion euros. In exchange, the PSOE-Podemos government is enforcing its “herd immunity” policy—reopening the economy, sending workers back to non-essential work and forcing children back to school, which has already cost the lives of over 100,000 people and 4.9 million infections—nearly 10 percent of the population. Thus the banks managed to maintain profits of over €3 billion in 2020 and expect an 18 percent increase in 2021 over those obtained before the pandemic, in 2019.

The struggles emerging among bank workers are part of a developing strike wave and radicalization of the working class on a global scale.

The *World Socialist Web Site* calls on workers to create independent, rank-and-file organizations of workers in factories, schools and workplaces, on an international scale. It advances the perspective of building an International Workers Alliance of Rank-and-File Committees. It has helped establish workers’ committees among striking Volvo and Dana auto-parts workers in the US, postal workers in Australia and educators’ committees across Europe and the US. This is the perspective on which bank workers in Spain can break with the unions and organize a genuine fightback.



To contact the WSWs and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)