Volkswagen factory meeting in Wolfsburg heralds fierce disputes with workforce

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Speeches at last week's factory meeting at Volkswagen's main plant in Wolfsburg herald fierce disputes between the company and the workforce, not only in Wolfsburg, with almost 60,000 employees, but also in the other German and international plants.

VW CEO Herbert Diess plans to convert the company to produce electric vehicles as quickly as possible, especially the main plant. At a supervisory board meeting at the end of September, he had estimated the resulting job cuts at up to 30,000.

Workers were outraged when this became known in mid-October, since they had not heard anything about it from IG Metall union officials or from works council representatives on the supervisory board. The chairwoman of the VW General and Group Works Council, Daniela Cavallo—who also sits on the supervisory board—tried to smooth the waters and calm the workers.

In her speech to several tens of thousands of staff at the factory meeting, only 7,000 of whom were there in person because of coronavirus, she repeated that the agreed employment guarantee until 2029 would hold "in principle." Diess accused her of playing on employees' fears. Talk of cutting tens of thousands of jobs was "nonsense in terms of content" and had unsettled employees, many of whom have been constantly on short-time working since the start of the pandemic.

Diess himself did not mention a specific figure when speaking to the workforce, saying, "The jobs that exist today will certainly be fewer within the next 10 to 15 years—especially in administration at company level, but also in production and development." At the same time, new and different work would be added, he said. But it was clear that many who listened to him would lose their jobs if he had his way.

For a long time, IG Metall and its works council representatives were able to subordinate Volkswagen's more than 600,000 employees—120,000 in Germany—to the interests of the shareholders, which include the Social Democratic-governed state of Lower Saxony, where the main Wolfsburg plant is based. Job cuts were mostly worked out and implemented by the works council through attrition, severance payments and "social plans." Most recently, the VW works council signed a "pact for the future" in 2016, which will claim 30,000 jobs by 2025.

Both IG Metall and its officials on the supervisory boards and in the works councils at the plants have benefited. Under Cavallo's predecessor Bernd Osterloh, the works council representatives raked in millions in salaries and supervisory board compensation; he himself received 750,000 euros a year in the best of times. Many became euro millionaires themselves by taking over positions in the group—like Osterloh, most recently, who moved to the truck subsidiary Traton as a member of the executive board.

But now the merciless cut-throat competition in the automotive industry in the wake of the move to electrification is causing this corrupt relationship—euphemistically described as "co-determination" and "social partnership"—to implode.

IG Metall and its works council representatives are preparing to destroy tens of thousands of jobs. The first thing that has happened is they began bickering among themselves. On November 12, the supervisory board is supposed to decide upon the allocation of investments worth around 150 billion euros to the 120 or so plants worldwide, up to 2025.

But this planning round has been postponed until December 9. This is because several German plants had already been selected in advance as new e-car production sites, with the main factory in Wolfsburg in particular left out. Cavallo wanted to divert production commitments from other plants to Wolfsburg.

But Cavallo is not the only top dog in the multi-brand group. The works council chairmen of Porsche and Audi also intervened. According to preliminary plans from November last year, the commercial vehicle plant in Hanover was actually supposed to manufacture new electric models from Porsche and Audi in order to keep production running in the future. But Porsche is now withdrawing its commitment to joint production, finance daily *Handelsblatt* recently reported.

Cavallo and the VW works council accuse Diess of allowing this to happen. IG Metall and Cavallo have therefore brought out the heavy artillery and withdrew their confidence in Diess at a preparatory meeting of the supervisory board. Diess is reportedly facing being sacked again.

"How things will proceed and whether there could be a compromise will be decided by supervisory board chairman Hans Dieter Pötsch, Lower Saxony's Minister President Stephan Weil, IG Metall head Jörg Hofmann and works council leader Daniela Cavallo," writes *Handelsblatt*. They are the members of the mediation committee on the supervisory board.

But in reality, these skirmishes serve to prepare for the upcoming massive attacks, and Cavallo is quite the pupil of Osterloh in this respect. Her predecessor also liked to rant against Diess, whom he himself had brought to Wolfsburg from BMW, as he liked to put on record. In the end, both of them pushed through the interests of the shareholders against the workforce.

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But now these fake encounters might not be enough, the planned job cuts are too big. And clearly, not everyone in the union thinks Cavallo is up to the job.

There is no other way to understand the announcement by long-time VW works council member and Wolfsburg IGM official Frank Patta that he will present his own list of candidates at the end of the month, with which he intends to run against the official IGM list in next year's works council elections.

Patta was IG Metall's senior representative in Wolfsburg from 2006 to 2011. In 2012, Osterloh brought him onto the VW works council, made him general secretary, and gave him the task of chairing the world and European group works council. In 2018, Patta had to relinquish this post, which took him all over the world, becoming an "ordinary" works council member in the production area.

Patta embodies the classic union bureaucrat. In his capacity as Wolfsburg IGM representative, he conducted disputes with works council members and IGM members who had drawn up their own list against the official IGM list—as Patta himself has now announced. At that time, in 2011, he instigated an investigation against the members of the MIG 18 list, which he later discontinued. Patta required, among other things, that they not speak negatively or disparagingly about IG Metall and that they follow instructions from the executive committee or local board. Violation of this would have opened expulsion proceedings.

As general secretary for "international cooperation," he then ensured compliance with rules set by IG Metall around the world. When temporary workers at VW's Chinese plant turned to the World Works Council for help in 2017, he brushed them off. For months, the Chinese workers had fought in vain for equal wages, as VW had contractually promised them; in the end, their leaders were even imprisoned. In a letter at the time, Osterloh and Patta wrote that they could "unfortunately not verify the accusations you have made in this form."

This month, the long-time bureaucrat wants to present "The Other List" (as his list is called), with which he wants to run in the VW works council election in February 2022. His criticism is directed solely at the works council under Cavallo. "I have no intention of leaving IG Metall," Patta says. "We have to get away from the works council monarchy, where a very few make decisions that the other works council members then have to communicate to the workforce."

Patta has since been expelled from the IG Metall faction and has lost his area of responsibility in VW assembly. The works council and IG Metall accuse him of standing because he did not get the position he sought as coordinator on the works council in the summer.

Here, too, the real reasons lie deeper. Patta is a works council member in production and is directly aware of the mood in the plant. The reason for his candidacy was "concern about jobs here in Wolfsburg, especially in production," he told the *Wolfsburger Allgemeine Zeitung*. He added that the decision had been made to phase out internal combustion engines, but that Wolfsburg only built internal combustion engines, with the exception of a few hybrids. "Not even I as a member of the works council have more detailed and reliable information," he complained.

Employees were worried about their jobs, he said, "Not only with a view to the future, but also against the background of the current situation at the site with ongoing short-time working." The fact that a shift on assembly line 1 had already been cancelled before coronavirus hit, he said, "doesn't exactly help to calm things down" in this situation.

His talk about the "non-transparent" nature of the works council under Osterloh and now Cavallo, who see themselves as co-managers instead of controllers of the management board, and about their hanky-panky in "back rooms or company planes" serves only to try and stifle the growing opposition in the plant and lead workers' resistance into a dead end.

Patta does not represent the interests of the workers, but of the trade union to which he has belonged for decades, which in turn is beholden to the shareholders. Business weekly *Wirtschaftswoche* describes this function of Patta succinctly: "Patta, too, knows that the 663,000-employee giant Volkswagen needs a radical overhaul."

Patta's declaration that "you can only change things and influence decisions with a strong democratic and transparent opposition in the works council" is a dangerous illusion.

VW workers should study the lessons of the Opel plant closure in Bochum, where workers repeatedly rebelled against the corporation and the IGM-led works council. The in-house opposition always intervened—with the same criticism and the same platitudes as Patta does now.

When opposition trade unionist Peter Jaszczyk—a long-time Stalinist, later joining the SPD—became works council chairman in 1996, he continued where the official social democratic IGM works council had left off: organizing one sellout after another.

After Jaszczyk, and after a brief interlude of an SPD-led works council, Rainer Einenkel, another long-time Stalinist, took over as works council chairman in 2004. Within ten years, he finally wound up the plant. At the end of 2014, the last Opel auto rolled off the Bochum production line.

Defending jobs, wages and working conditions is only possible in irreconcilable opposition to IG Metall and completely independently of it. To this end, rank-and-file committees must be set up by workers to organize the struggle against the board, union and works council and the planned attacks on jobs and wages.

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