

# Transition to electric vehicles threatens Mexican auto jobs

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The statement “Stop the EV jobs bloodbath!” published by the International Workers Alliance of Rank-and-File Committees (IWA-RFC) in the context of a looming strike by U.S. and Canadian autoworkers has elicited a powerful response by autoworkers in Mexico, who support its call for a joint international struggle against the threat of hundreds of thousands of layoffs in the transition to electric vehicles (EV).

According to several analyses cited by the document, EV batteries require a fifth of the workforce compared to internal combustion engines, and EV powertrains have 80 percent fewer moving parts. Moreover, the implementation of new automated technologies and streamlined designs will reduce even more the necessary parts and labor hours.

Adrian, a young worker in the city of Matamoros who participated in the massive rebellion against the auto parts companies and the trade unions in 2019, said in support of the statement: “There have been no changes here yet, but there is fear. For now, we have the issue that companies have left, and fellow workers have been left unemployed. The union that they belong to has done nothing to help. We are following the subject of the US strike with great interest.”

A worker at Schumex Schumacher in Matamoros, which produces car battery chargers and other electrical components, said: “At Schumex, there have been layoffs of union and supervising workers. Very few of us are left in the plant and there is almost no work.” A switch to producing EV chargers was announced, she said, which the company is exploiting to cut back wages and benefits. “There are rumors that they want to hire new workers, and to let go those who have not been fired at 70 percent of their seniority and to pay instead the lowest wage, that is, the minimum wage.”

Tomas, a worker at the auto-parts company Tridonex in Matamoros, responded positively to the statement while

stating the widely held opinion that “It is a fact, but we are still 10 years away from that since [gasoline cars] have not stopped being a mode of transportation, even though they will become obsolete in the future.”

At the General Motors factory in Silao, a worker expressed support for a strike by US and Canadian autoworkers and for the demand by the IWA-RFC that the companies disclose which plants are slated for closing and which workers they plan to fire as part of the transition to electric vehicles. “I think that is a good idea,” he said. “Neither the company, the union nor anybody comments about anything. They keep us uninformed. Most workers don’t know the importance of the parts that we are assembling. They never explain to us what it does or what function it serves in the vehicle. I tell them that they should explain it to us.”

Another Silao autoworker commented: “That is a very interesting article. It is important to spread the word to develop the consciousness of the working class.” He added that, despite promises surrounding the new North American free trade agreement of improvements for workers, “we are still facing the same vulnerabilities.”

As recently as early 2022, Mexican government officials stated that the transition to the “electric era” in the auto industry was a “20-year” process. But there was a turnabout when plans to mine lithium and produce lithium batteries in Mexico were concretized, amid announcements by the Joe Biden administration in the United States to boost EV production in the region, including billions of dollars in public subsidies. The Biden administration has floated the goal of shifting up to two-thirds of all new vehicles to EVs by 2032, while California will ban gasoline car sales by 2035.

By the fall of 2022, AMLO launched Plan Sonora, to turn this Mexican state bordering Arizona into a model for EV manufacturing and turn half of the country’s fleet to electric or hybrid.

While the infrastructure and policies for driving EVs in Mexico are far less developed than in the United States, the transition for manufacturing them is far advanced. Almost eight out of every 10 cars and nine out of every 10 parts assembled in Mexico are exported to the United States. Meanwhile, 896,000 of the nearly 1 million autoworkers in Mexico work at parts suppliers, which are expected to be the most severely affected by the accelerated transition to electric cars.

EV production, automation and the integration of the North American supply chains have been sharply accelerated as US and Canadian imperialism escalate their economic and military confrontation against China. For his part, AMLO, who has called for “stopping” the “threat” of Chinese growth and boasted of how much US military equipment gets produced in Mexico, has entirely subordinated the country to the US-led war drive against China, a nuclear-armed power.

Electric vehicle production in Mexico is already expected to increase this year by 82 percent up to 142,000 units. This will grow by leaps and bounds.

A recent study by researcher Karen Sánchez González at the Colegio de la Frontera Norte precisely on the BMW plant at San Luis Potosi describes the transition to EV and the introduction of automation as one inseparable “industrial revolution” in the auto industry. Sánchez writes, “This destruction is focused on tasks carried out by half-skilled or unskilled workers that include assembly, paint or the so-called routine activities,” adding that these processes are precisely those that predominate in Mexico.

While investments in lithium processing, chips and computer technologies associated with the vehicles are rapidly growing in Mexico, Sánchez concludes that these will have a limited impact on jobs, which will be focused on highly skilled and specialized technicians.

As in other countries, the bosses, government officials and trade union bureaucracies in Mexico are conspiring to conceal the plans for the massive elimination of jobs in the coming years. Instead, as they drool over the billions in new investments, service and construction concessions and profits as junior partners—as well as a from corruption—the transition is falsely being presented as a boon to Mexican autoworkers.

Mexican president Andrés Manuel López Obrador (known as AMLO) has led this propaganda campaign. After Tesla announced the building of a “superfactory” in Monterrey, which is expected to assemble between half a million to a million electric vehicles yearly, AMLO

promised it would create “many, many jobs.” It is worth noting that AMLO also almost overnight dropped his opposition to the location due to water supply issues in the metropolis of 5.2 million people.

According to government documents, however, Tesla is expected to employ only between 5,000 and 6,000 workers directly. By contrast, General Motors, which began EV production in Mexico this year, produced 743,000 combustion engine units in 2022 with over 23,000 workers.

During the announcement, also this year, of a BMW battery plant in San Luis Potosi, López Obrador presented the shift to EVs as an opportunity for job creation and even to “combat poverty.” He said, reflecting his hostility to the super-exploited workers, “This is what we are looking for: the arrival of investments and the generation of well-paid jobs” in the auto industry, “which treats its workers well, paying them fair wages and benefits.”

Climate change induced by fossil fuels poses an existential threat to workers globally, and combating it demands an urgent restructuring of energy generation, transportation, industry, and agriculture. This has nothing to do with the calculations of the ruling elites. Any solution must be globally coordinated and planned, and scientifically based, which makes it incompatible with the continuation of the profit system and nation states. The IWA-RFC statement stresses:

The transition to EVs cannot be allowed to take place at workers’ expense. Social ownership and workers’ democratic control of the auto industry are needed so that this transition can be carried out through a massive improvement of workers’ living standards and working conditions throughout the world.



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