

Frontal attack on auto workers at Ford and VW in Germany

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The ink on the new contracts for the 4 million employees in the German metal and electrical industries is not yet dry, and a massive attack on jobs and working conditions in the auto industry is already beginning.

On Wednesday, the carmaker Ford announced the elimination of a further 4,000 jobs in Europe, including 2,900 at its headquarters in Cologne. On the same day, the IG Metall union and VW works council announced that they had offered the company savings on wages of €1.5 billion.

The attacks at Ford and VW are just the tip of the iceberg. For months, there has been no end to reports of layoffs and bankruptcies in the automotive and supplier industry. Yesterday, Mercedes also announced its intention to cut costs by several billion annually in the coming years.

Workers must take this as a serious warning. The days of reasonably secure jobs, decent wages and acceptable working conditions in Germany are finally over if the ruling class gets its way.

According to a study by the German Association of the Automotive Industry (VDA), 186,000 fewer people will be employed in the German automotive industry in 2035 than in 2019 if the trend of the last four years continues, during which 46,000 jobs have already been destroyed. But the trend is not just continuing; it is accelerating rapidly.

With the return of Donald Trump to the White House, the battle for profits, markets and raw materials is taking on new dimensions. This battle will be fought at the expense of the working class.

Trump is putting together a government of far-right oligarchs. Tesla boss Elon Musk, the richest man in the world, is personally taking on the task of slashing everything that does not make a profit—from education, pensions and social benefits to health care. Unlimited funds are available only for the armament of the military and the police.

Musk's role model is the fascist Argentine president, Javier Milei, the man who campaigned with a chainsaw, who has cut state spending by 30 percent and increased the poverty rate by over 50 percent since taking office a year ago.

Corporations and governments in Europe are emulating Trump; attacking the working class and fighting for markets and profits. Just as 90 years ago, capitalism is drifting towards

dictatorship and a world war that will destroy human civilisation if the rampage of the ruling class is not stopped by the working class in time. NATO is already at war with Russia. Every day it uses more powerful weapons, even if this risks a nuclear war.

The frontal attack on the workers at Ford and VW is to be seen in this context. War and profits are not compatible with social balance and democracy. The last time Germany went to war against Russia, an army of millions of forced labourers toiled in German factories.

If workers do not now free themselves from the clutches of the trade unions, organise independently and take up the struggle, there is a risk of a catastrophe like the one in the 1930s.

Because the attacks at Ford and VW are a result of the international crisis of the capitalist system, they cannot be fended off within a national framework. The struggle against them requires an international socialist programme. What is necessary is the international mobilisation of the working class against war, dictatorship and social devastation and their cause, capitalism.

The trade unions categorically reject this. They side with the corporations in the struggle for profits and markets and organise the attacks on the workforce. Nowhere is this more evident than at Ford and VW.

Ford

While the IG Metall was organising the closure of the Ford plant in Saarlouis, it silenced the workforce in Cologne with the promise that the \$2 billion investment in the Cologne plant and the conversion to pure electric car production would secure their future.

Now that the plant in Saarlouis has largely been closed down, it is Cologne's turn. Last week, Ford had already introduced short-time working until the end of the year. Now, 2,900 jobs are to be cut in Cologne alone by 2027. That would be 1 in 4 of the 11,500 jobs that remain of what used to be 20,000. A

further 800 jobs are to be cut in England, and 300 mainly in Spain.

Ford managing director Marcus Wasserberg said that the company had to implement “difficult but decisive measures to ensure competitiveness” in Europe. The head of the works council, Benjamin Gruschka, will take responsibility for these “decisive measures” being carried out.

His announcement of “bitter resistance” is a farce. In recent years, he and the head of the local works council, Markus Thal, had ensured that the plant in Saarlouis was closed against the “bitter resistance” of the workforce. Of the 7,000 jobs at the plant and 2,000 in the neighbouring supplier park, a maximum of 1,000 will remain by 2032, if any.

Among other things, the IG Metall and the works council pitted the workforce in Saarlouis against their colleagues in Almussafes, Spain, in a so-called “bidding contest.” Almussafes won this, but now the plant there is also being closed down in installments. Of the 9,300 people employed there before the bidding contest, only around 3,000 remain. Now a further 300 jobs are to be cut. The danger that Ford will withdraw from Europe completely is greater than ever.

Volkswagen

A few weeks ago, Volkswagen announced the loss of 30,000 jobs and the closure of three plants, and called for a reduction in wages of up to 20 percent. Here, too, IG Metall and the works council threatened “violent resistance,” but merely organised a few loud protests to cool down the workforce.

On Wednesday, IG Metall and the works council presented their own “future plan.” They offered management a reduction in wages and salaries of €1.5 billion, almost as much as the board had demanded.

The 120,000 VW employees are not to receive a single cent of additional wages in the next 25 months and are to forgo the bonuses to which they are entitled. When sales are slow, they are to work shorter hours without their income being reduced accordingly. The difference is to be paid out of a “Future Fund” that the workers themselves will finance. IG Metall wants to agree a nominal wage increase corresponding to the miserable new contract in the metal and electrical industries, but this will not be paid out in cash but will go into the Future Fund.

The board and management are also supposed to make “their contribution” by partially waiving their bonuses, and the shareholders by receiving lower dividends. This is a transparent manoeuvre. VW boss Oliver Blume, who “earned” €10 million last year, and the shareholders, who collected a dividend of €4.5 billion at the beginning of the year, can manage this differently than ordinary employees.

The IG Metall and the works council will not stop at wage cuts. Daniela Cavallo, chair of the VW general works council, has explicitly agreed to job cuts and downsizing. “It is not the case that we are opposed to job cuts or process changes,” she said at the press conference. The works council would also “acknowledge that one or the other activity cannot be done directly at Volkswagen in the future. That is not the point.”

The point is that the works council and IG Metall are prepared to enforce VW’s attacks on the workforce and to stifle any resistance to them. The much-vaunted “social partnership” is in reality a conspiracy against the workforce.

Workers at Ford, VW and other corporations can no longer avoid confronting IG Metall if they do not want to stand by and watch the liquidation of their jobs. There is no red line for the union apparatchiks. They will carry out every attack demanded by the corporations.

In Saarlouis, they fobbed the workers off with a pittance in the form of severance pay, early retirement, transfer companies, etc. Now the jobs are gone, and the next generations have no future.

The rank-and-file Ford Action Committee, formed at the initiative of the International Workers Alliance of Rank and File Committees, has opposed the conspiracy of the works council, the union and company management from the outset. It has insisted that a new political orientation is necessary to resist the blackmail of management and the works council; a perspective that starts from the common interests of all workers and opposes the logic of the capitalist profit system, which the union officials defend tooth and nail.

They cannot be “pushed” from below to change course, as some pseudo-left organisations claim. They respond to any pressure from below with repression. That is because they collect six-figure salaries for ensuring “industrial peace.” The aim must be to throw the bureaucracy out of the factories, not to reform them.

The same applies to capitalist society as a whole. It is plunging the world into disaster and must be replaced by a socialist society in which the needs of all, and not the profits of the oligarchs, take precedence. The building of independent action committees and the struggle against job cuts must go hand in hand with the building of a socialist movement that fights for the expropriation of corporations and large fortunes and opposes the threat of war.



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