Ford, China, EV technology and the fight against the coming jobs massacre

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A bitter conflict is unfolding within the American ruling class over the relations of the US automakers—above all Ford—with their Chinese rivals and suppliers. At its center is a question that the corporate press and the political establishment are determined to keep from the working class: the enormous labor-saving character of the new technology that China has developed in electric vehicle production, and the fact that, under capitalism, this technology is being deployed as a weapon against jobs and living standards.

Ford has established a complex web of ties to Chinese industry. It licenses battery technology from CATL, the world's largest battery maker, for its battery production in the United States, including at its Marshall, Michigan plant, which began making cells in October. It has agreed to build vehicles for Geely at its underused plant in Valencia, Spain, beginning in 2028, and it maintains relations with BYD, the Chinese automaker that has overtaken the Western giants in EV technology and cost. Ford continues to produce the Lincoln Nautilus in China.

Ford CEO Jim Farley has been blunt about the reason. It is impossible, he has argued, for the global automakers to compete without utilizing the most advanced technological developments made by Chinese automakers, particularly in the simplification of EV body assemblies. Chinese manufacturers have pioneered "gigacasting" and related techniques that replace dozens or hundreds of stamped and welded parts with a handful of large castings, drastically reducing the number of parts, assembly stations and labor hours required to build a vehicle.

This is not a matter of "unfair subsidies" or "cheating," as the protectionists allege. It is a genuine technological revolution. And it was driven, in significant measure, by a strategic calculation made by the Chinese ruling elite after the 2003 US invasion of Iraq: the recognition that China's dependence on imported oil, and the threat that the United States could cut off those supplies, required a crash program to electrify transport. The result is a body of production technology that is enormously labor-saving—and therefore, in the hands of capital, enormously job-destroying.

The scale of the threat to jobs is documented in the industry's own figures. Ford is converting its Louisville Assembly Plant to build the Fathom electric pickup truck, which will reportedly sell for under $30,000 and hit the market in late 2027. Based on its Universal EV Platform, it will use 20 percent fewer parts and 40 percent fewer assembly stations and cut assembly time by 15 percent, with the highest level of automation in final assembly of any Ford plant globally.

Former Ford CEO Jim Hackett stated that EVs would require "30 percent fewer labor hours per car." Volkswagen's top labor representative said an electric powertrain has a sixth of the components of a combustion engine, and that a battery plant needs a fifth of the workforce of an engine plant. The International Workers Alliance of Rank-and-File Committees has warned that the transition threatens to eliminate half or more of all auto jobs in the US within five to ten years.

This is the real content of the dispute now raging in Washington. Farley's position—that Ford must integrate Chinese technology to survive—has come under ferocious attack from sections of the Trump administration, from anti-China hawks in the Democratic Party such as US Senator and ex-CIA agent Elissa Slotkin, and from the United Auto Workers apparatus.

In September, Transportation Secretary Sean Duffy sent Farley a letter expressing "profound concern" over Ford's ties to CATL, Geely and BYD, demanding an acceleration of the decoupling from Chinese supply chains. Ford dismissed the letter as a "wrongheaded attempt to capture headlines," and Trump intervened to declare Ford a "GREAT American company." The UAW, for its part, has urged Congress to keep the House Select Committee on China in place and to enact a permanent statutory ban on Chinese automakers, co-authored by Slotkin and Republican Senator Bernie Moreno. UAW President Shawn Fain has called Chinese-owned production "a slap in the face to America" and invoked the slander of Chinese "slave labor."

The conflict reproduces, in the auto industry, the struggle over Nvidia's commercial relations with Chinese chipmakers analyzed in the WSWS perspective "The Huang affair, the AI bubble and the divisions within the American ruling class." There, the ouster of CEO Jensen Huang after a campaign by the *New York Times* and sections of the intelligence agencies, followed by his reinstatement, exposed a deep rift within the ruling class over whether to exclude China from advanced technology or to tie Chinese developers to American hardware. Here, the same division appears as a fight between those sections of capital—represented by Ford and, fitfully, by Trump—that seek to profit from Chinese technology, and those—the Democratic hawks, the intelligence agencies, the union bureaucracy—that demand its exclusion in the name of "national security."

Neither position has any progressive content. Both serve American imperialism, which regards China's economic and technological development as an intolerable challenge to its

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hegemony. The “national security” rhetoric is a cover for preparations for war against China, not a defense of jobs. The dispute turns only on the pace and method of a shared drive to confront China: Ford cannot abruptly sever its links to Chinese technology without disrupting production, while Washington seeks to force a faster reorganization of supply chains around the strategic requirements of US imperialism.

Developments this week demonstrate the interconnectedness of trade war and military confrontation with China. On Wednesday, the Trump administration announced it was preparing new tariffs on China along with other countries in the EU and Asia for allegedly subsidizing industrial production and flooding global markets with cheaper goods that undercut US producers.

At the same time, the *Wall Street Journal* reported that administration officials are in preliminary talks with GM, Ford, Magna International and other auto and auto parts manufacturer about supplying motors and other components to domestic drone makers, which lack the capacity to meet expected demand in a market the Pentagon estimates could reach $20 billion to $30 billion annually. Earlier this year, GM CEO Mary Barra told investors the company’s defense unit, which already produces military vehicles and components for Lockheed Martin’s Patriot Missile System, would produce double-digit profit margins in coming years.

As usual, the Neanderthals in the UAW apparatus are staking out the most right-wing and nationalist position on the economic and military conflict with China. Trump went out of his way at a press conference last week to praise Shawn Fain’s support for the administration’s trade war measures.

The UAW’s nationalism revives the ugliest traditions in the union’s history—the “Buy American” campaigns and the smashing of Japanese cars of the late 1970s that formed the background to the 1982 murder of Vincent Chin. Today, the UAW’s anti-Chinese campaign goes hand-in-hand with suppressing resistance to mass layoffs and the conversion of auto plants for war. Fain has repeatedly held up as a model the World War II-era “Arsenal of Democracy,” i.e., the alliance of the UAW with the Roosevelt administration and the automakers to build tanks, planes and bombs, which included a ban on strikes against the war profiteerers.

The purpose of this chauvinism is to tell autoworkers that they share a common interest with the corporations that are restructuring production at their expense, and to redirect their anger away from Ford and GM, and against workers in China.

The working class must not line up with either section of the ruling class in this dispute. The workers of the United States have no interest in defending Ford, GM and Stellantis against Chinese manufacturers, and Chinese workers have no interest in the ambitions of the Chinese ruling elite. The answer to the trade war, the industrial mobilization and the drive to war is the unity of workers in the United States, China, Mexico, Canada and throughout the world against every capitalist government.

This requires a clear understanding of the technology at the center of the conflict. The simplification of EV body assemblies—the reduction of parts, stations and labor time—is a progressive development of the productive forces. Under capitalism, it is being used to throw workers onto the unemployment line, to intensify speedup and to drive down wages. But the same technology, placed under the control of the working class, could be used to shorten the workweek, to lessen burdensome and dangerous labor, and to guarantee a high standard of living for all.

That is the socialist program. The auto industry must be taken out of the hands of the corporations and placed under public ownership and workers’ democratic control, so that the transition to electric vehicles is carried out through a massive *improvement* of workers’ living standards and working conditions, not at their expense. If EVs require less labor time to produce, then reduce hours and increase pay.

Whatever faction prevails in the current dispute, the working class faces a coming onslaught on jobs and working conditions. Ford’s own third-quarter report boasts of rising profits, achieved through “stronger product mix” and work to “control our costs”—the language of layoffs, speedup and the extraction of ever more surplus value from a shrinking workforce. The company has announced or carried out roughly 14,000 job cuts across North America, Europe and India since 2022. Across the industry, Nissan is eliminating 20,000 jobs, and Volkswagen is preparing to eliminate up to 100,000. The Democrats, who owe their congressional majorities to a wave of opposition to war and social inequality, have made clear that their central priority upon taking power in January will be the escalation of the drive to secure American global dominance—not the defense of jobs.

The UAW bureaucracy will not defend the workers. It has collaborated in eliminating hundreds of thousands of jobs, closing scores of plants and imposing tiered wages and temporary employment for decades. Its function is to discipline the workforce and to channel opposition into the dead end of nationalism and war. Workers must build rank-and-file committees in every plant, independent of and in opposition to the corporatist UAW apparatus, uniting across plants, companies and borders through the International Workers Alliance of Rank-and-File Committees.

The struggle over Ford and China is a struggle over who will bear the costs of a technological revolution, trade war and militarism. The ruling class, in all its factions, intends that the working class should bear them. The task of the working class is to answer with a program of its own: no layoffs, no plant closures, full income and benefits for all affected, international unity against the trade war and the drive to war, and the socialist reorganization of the auto industry under public ownership and workers’ control. This is the only answer to the nationalist poison of “American manufacturing” and the only road to a future in which the immense productive powers now being developed are placed at the service of humanity.

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