

Mass layoffs threatened at European GM and Ford plants

By Marianne Arens
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Autoworkers all over the world are facing job cuts and drastic attacks. While General Motors (GM) has announced the closure of five plants in the US and Canada, with almost 15,000 layoffs of hourly and salaried workers, Ford is also preparing major job cuts.

An analyst from the Wall Street bank Morgan Stanley recently told investors that he expects Ford to cut at least 25,000 jobs worldwide, with the largest part of its €10 billion “fitness programme” aimed at Europe. In September, Ford management in Dearborn, Michigan and Cologne, Germany indicated they would cut up to 24,000 jobs at Ford’s European plants.

With the sword of Damocles hanging over the heads of autoworkers, the silence of the IG Metall union and its works councils in Germany has been striking. Neither in Cologne nor in Saarlouis have IGM officials warned workers about the drastic restructuring about to hit them, let alone prepared workers for industrial action to resist it. On the contrary, the unions and works councils are working with management behind closed doors to draw up plans to restore profitability and preserve shareholders’ returns at the expense of the workers.

Throughout Europe, Ford has already announced cuts in France and the UK. On November 8, Ford UK announced the closing of its headquarters in Brentwood, the centre of its British operations for 50 years, eliminating 1,700 jobs. By the end of September 2019, all UK activities are to be concentrated at Ford Dagenham and Ford Dunton in Basildon.

In France, Ford plans to close its plant in Blanquefort near Bordeaux by the end of next year, wiping out the jobs of around 900 workers. There is growing opposition to the closure, with hundreds of Ford Blanquefort workers taking part in recent “Yellow Vests” protests in the centre of Bordeaux.

So far, little information has been made public regarding the future of the German plants, but there are clear signs that job cuts are imminent. In Cologne, 18,500 workers still produce the Ford Fiesta, and in Saarlouis about 6,000 produce the new Ford Focus. However, the contracts for 300 temporary workers have been terminated in Cologne, and another 60 are expected to lose their jobs by the end of the year. Short-time work is imminent for 2019, and even today, especially in Saarlouis, production-free days have been called repeatedly.

At the same time Ford is investing €200 million in Craiova, Romania, to have another model built there. The number of Ford workers in Romania is to be increased by 1,500, to 6,000. Workers there suffer slave-labour conditions and some are fobbed off with wages of just €300. A year ago, in December 2017, 4,000 employees in Craiova tried to prevent the imposition of a new, union-backed collective agreement by carrying out industrial action. Since then, overtime bonuses have been reduced and workers have been forced to accept new “flexible” shift patterns.

The impending attacks on Ford workers are part of a new round of restructuring of the global auto industry that will also affect Opel and Volkswagen in Germany. Since the takeover by PSA (the French-based conglomerate that produces Peugeot and Citroen vehicles), cuts and attacks have been implemented step-by-step at Opel. As industry analyst Ferdinand Dudenhöffer noted, the Opel board and trade unions have “deliberately not made everything known all at once” because “one would have been afraid of triggering a strike or a revolution.”

Last month, hundreds of British workers walked out in wildcat action after being informed by Unite union shop stewards that 241 jobs would be cut by the end of

next year at the Ellesmere Port plant, near Liverpool, where the Vauxhall and Opel Astra models are produced.

Volkswagen workers are not safe. VW is discussing building more cars in the US to avoid customs and other import controls. The VW Group is currently considering a partnership with Ford to utilize its American production facilities. The two companies are expected to make a major announcement sometime in January.

According to a CNBC report, headlined, “Ford and VW considering an expansive alliance likely to echo across the global auto industry,” the companies are considering sharing plants in the US and other markets” and “combining marketing and distribution operations,” with Ford leading in the US and VW dominant in Europe and China.

The companies may also work jointly in other areas, like the booming light truck market, which is one of Ford’s strengths. “Perhaps the most far-reaching collaboration would see Ford and Volkswagen partner up on the development of autonomous and electrified vehicles,” the report noted.

Such a tie-up, and the wave of mergers and acquisitions that would quickly follow, would threaten the jobs of hundreds of thousands of workers—both production as well as engineers, designers, marketers and other white-collar workers—as the global car giants sought to eliminate “redundancies” and make even more cash available for wealthy shareholders.

The development of new electrical technology, the diesel emissions scandal, Brexit, trade war and a general economic crisis—all these factors are used by managers and trade union officials to justify ever more savage attacks on autoworkers. To fight, workers must build new organizations of struggle, independent of IG Metall, the United Auto Workers and other pro-capitalist and nationalist trade unions, and link up their battles across national borders.

The onset of a new restructuring of the global auto industry poses the necessity of a socialist and international alternative. Only if workers unite internationally and fight to take the industries into their own hands can they defend their rights and jobs and use the advances in technology and global interconnectivity for the benefit of the entire working population.

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