Airbus cuts 15,000 jobs

Coronavirus crisis triggers mass layoffs, wage cuts across Europe

By Will Morrow
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As the economic crisis triggered by the coronavirus pandemic continues, hundreds of thousands of layoffs are hitting virtually every industry and every country across Europe.

The European ruling class is using the downturn to implement a historic restructuring of class relations. Trade unions are working hand-in-glove with employers to enforce job cuts and slash wages and working conditions.

Among the most severely impacted sectors is the airline and associated manufacturing industries. Yesterday Franco-German airplane manufacturer Airbus announced that it will destroy 15,000 jobs, including 5,100 in Germany, 5,000 in France, 1,700 in Britain, 900 in Spain and the remainder in other sites around the world.

Speaking Monday to the German newspaper *Die Welt*, Airbus CEO Guillaume Faury stated that the company's economic activity would be 40 percent below previous predictions for 2020 and 2021. Its activity is not expected to return to 2019 levels until between 2023 and 2025, amid a global collapse in travel.

The trade unions have already made clear that they will not oppose the job cuts. The French trade unions have called only for there to be no "compulsory" redundancies, meaning that they will work with management to ensure that a sufficient number of workers are coerced into leaving. Airbus itself has insisted that it will implement layoffs if not enough workers can be pressured to leave.

Airbus' main rival Boeing already announced a 10 percent cut in its workforce, destroying 16,000 jobs. Rolls Royce, which makes jet engines, is cutting 9,000 jobs worldwide.

Among the major airlines, Lufthansa in Germany will cut at least 22,000 of its 138,000 jobs. Air France-KLM is destroying 6,000–10,000 positions out of a total of 80,000. British Airways is slashing 14,000 out of 42,000 positions, and Ryanair is cutting 3,000. Scandinavia Airlines announced 5,000 job cuts in April, hitting workers in Sweden, Denmark and Norway. British budget airline Easyjet announced in May that it would cut 30 percent of its workforce, or 4,500 jobs, including one in three of its pilots in the UK. Virgin Atlantic is cutting 3,000 jobs.

Last week, the aviation services company Swissport announced that it would cut 4,556 jobs in the UK and Ireland. It had already laid off 1,500 staff in Belgium on June 9. It employs more than 64,000 people internationally, and told *Euronews* that it would inevitably be forced to announce more redundancies, without specifying how many. The Danish shipping company DFDS will cut 650 positions in coming months, according to a report published yesterday in *Shipping Today*.

A June 17 report by Allianz financial advisory firm, titled "The risk of 9 million zombie jobs in Europe," makes clear that these layoffs are only the beginning. It states that 9 million people across the "big five" European economies—Germany, Britain, France, Italy and Spain—are at increased risk of losing their jobs in the next year with an end to government schemes that have provided companies with a portion of wages for employees throughout the pandemic.

The report states that close to one third of the workforce of these five countries, or 45 million people, is currently dependent upon temporary government wage payment schemes that will come to an end. It predicts that even with these schemes in place, an additional 4.3 million people will lose their jobs next year.

In the auto sector, BMW will cut its global workforce by 6,000, according to a report published June 20 by Belga. The reductions have already been agreed to by the trade union works council. The works council at Daimler sent a letter to employees this month informing them that the 15,000 job cuts already announced by the company would be increased, which the union declared was necessary.

Renault announced 15,000 job cuts in May, equivalent to almost 10 percent of its global workforce of 180,000, including the likely closure of four plants in France. Nissan is planning to lay off another 20,000. In Britain, BP announced on June 8 that it would cut 10,000 jobs, most of them by the end of 2020.

In France, decorations and furniture brand Alinéa has been in financial proceedings since May 12 after declaring it was unable to pay its creditors. Dozens of other companies have been placed into receivership, threatening thousands of layoffs, including Celio, La Halle, Spartoo André, Naf Naf and Camaïeu. TUI France, the tourist operator, has announced it will cut 583 jobs, two thirds of its workforce.

The destruction of tens of thousands of jobs is proceeding with the critical assistance of the trade unions. Their role is to smother opposition among workers to the destruction of their jobs, and ensure that the cost of the coronavirus pandemic is borne by the working class, not only in mass deaths but in an assault on their living standards.

At Lufthansa, the trade unions have been the most enthusiastic supporters of a German state bailout involving not only 22,000 job cuts, but cuts to workers' wages and conditions.

Similar agreements are being enforced across France. This month, the French trade unions led by Workers Force signed an agreement at Derichebourg, which manufactures aeronautics parts for Airbus, agreeing to the cancellation of the so-called 13th month for employees—effectively an 8 percent wage cut—as well as other bonuses, in the name of preventing the closure of the plant, which employs 1,600 people.

In every country, having carried out massive state bailouts of the corporations, the ruling class is using the conditions provided by the pandemic to effect a historic restructuring in class relations.

While collaborating in this offensive, the trade unions aggressively promote nationalism and chauvinism, aiming to divide workers between countries and prevent them from waging a unified struggle.

On Thursday, the CGT rallied with Unsubmissive France (LFI) leader Jean-Luc Melenchon and Raphael Glucksmann—a European parliament deputy who stood with the Socialist Party in the 2019 European elections—outside the Luxfer factory in Gerzat. The factory, which closed in June 2019, previously manufactured bottles of oxygen for medical use. The Luxfer plant has been the focal point of a nationalist campaign stretching from the CGT to the extreme-right Marine Le Pen demanding that the Macron administration purchase the plant in order to prevent France from being dependent upon foreign supplies of oxygen.

Speaking at the rally, Glucksmann declared, "The closure of this site is to condemn Europe to depend on the Turks and the Americans. If you really want this return of offshored production and this industrial sovereignty, start by saving this plant!" Mélenchon added that "the workers of Luxfer are ready to resume their posts and produce oxygen bottles that not only France but the world needs." LFI has focused its response to the pandemic on demands to restore French economic "independence" and sovereignty.

The purpose of this nationalist demagogy is to hide the real source of the ongoing assault on jobs and conditions—the global crisis of the capitalist system—and to prevent workers from uniting across national borders against it. The trillions handed over to the banks and major corporations are to be extracted through a stepped-up exploitation of the working class and the destruction of social programs.

The response of the working class must be to develop its own international counteroffensive. The struggle must be taken out of the hands of the corrupt nationalist trade unions, which are the tools of corporate management, and placed under the control of independent rank-and-file committees controlled by workers and extending across the continent.

The growing struggle of autoworkers in the US against the return-to-work drive led by the Trump administration shows that there is a powerful objective basis for the development of such an international struggle. It must be connected to a socialist program for the establishment of workers governments and the socialist reorganization of the economy.