# General Motors is attacking European workers. Is there no resistance? The example of Opel Bochum Wolfgang Schaumberg

Since 2001, General Motors (GM) – active throughout Europe under the brand name "Opel" – has reduced its number of employees in Europe to 40,000. That's 8,000 less than in the year 2008. GM now has 55,000 employees in China. After two factories were already closed in Portugal and Belgium, GM announced last year that it would end production in one of its four German factories, in Bochum, at the end of 2014 and sell the production area, which is as large as about 200 soccer fields. For decades, Opel Bochum was GM's largest production facility, and in 1992 it still had 19,200 employees. Step by step, the labor force was reduced to 3,500, but always in the face of tough resistance struggles unlike those in any other facility. Even at an international level, the Opel labor force attracted attention through its independent, so-called "wildcat strike" in the year 2000 (3 days) and in particular in 2004 (6 days).<sup>1</sup>

### General Motors is decisive, not "Opel"

Opel is the biggest loser on the European automobile market (we cannot go into the reasons for this negative development here). But whoever speaks of Opel also has to take General Motors into consideration. The second largest automobile corporation in terms of sales numbers -- Toyota being the largest – GM has divided the globe into profit zones, and one of these is GM-Opel/Vauxhall Europe. The most important one after the USA/Canada division is "GM International Operations" encompassing Asia, Africa, the Middle East, and Russia, with a headquarters in Shanghai. Particularly in China, the largest automobile market in the world, GM is the leading automobile multinational with its 11 joint ventures with Chinese companies such as SAIC and Wuling. Among many other brands, GM sells its Opel brands Zafira, Astra, and Antara there. GM has also had record success in Russia, which is why it has expanded its factory in St. Petersburg from 98,000 to 230,000 cars annually, and announced investments of \$1 billion over the next 4 years.

After its bankruptcy on June 1st, 2009 due to the financial crisis, and its rescue through nationalization, General Motors recovered surprisingly quickly since its return to the stock exchange in November 2010. GM is once again in the same situation as in 2004 of being able to deploy a billion dollars in order to implement "socially peaceful" downsizing in Europe, including closing Opel Bochum. Due to the 2004 strike at Opel in Bochum, GM spent this amount on severance packages, and was able to convince 53-year-old electricians with 28

See <u>https://vimeo.com/44512168</u>, a film with English subtitles about the 2004 Opel Bochum strike.

years of employment to give up their jobs in exchange for €190,000 in severance pay. It's clear that GM will now attempt anything in order to get back into the profit zone within the indispensable European market as quickly and cheaply as possible.

#### What is IG Metall – the largest German labor union, which has around 80% of the workers in auto plants (including Bochum) as members – doing?

The IG Metall leadership refers to GM as "extortionate" and demands: we need better managers! "Management is resorting to extortion instead of a whole strategy... the management is cheap and without a plan." (IG Metall newspaper, June 2012). Huber, the IG Metall chairman (until November 2013), demanded: "we need a decisive board that deals with problems, that has vision, and will bring Opel forward, together with the labor force." This is typical for the union leadership in the large workplaces: they want to "rescue" both, GM/Opel's profits, and the workers. So it's not surprising that in its membership newspaper "metall" (January 2013), IG Metall only raised two demands: "...exclusion of the possibility of forced redundancies, and providing a plan for growth."

Through the "voluntary" giving up of jobs with the help of severance agreements, employees are to accept the closing of the factory. This strategy is often referred to by the IGM leadership and in the media as "socially acceptable." But the massive dismantling of jobs by severance agreements is at most "acceptable" for affected individuals. For society as a whole, the effect is terrible. It would be truer to say that the powerful in Germany, including within IGM, propagate "socially acceptable" destruction of jobs with the hope in the back of their minds that there won't be any social unrest...

#### Struggle Against the GM Attack? The Joint Works Council and the European Works Council

All German GM factories have an elected works council, with delegates in the "joint works council," and all are IGM members. All European workforces send delegates to the European Works Council. The chairman of both the Joint Works Council and European Works Council, Dr. Wolfgang Schäfer-Klug, revealed the course of action against GM's redundancy plans: all participants are allegedly "in agreement, that Opel must operate profitably and implement measures in order to increase its sales volume, increase its profit margins, and reduce its costs," and want to "work out together the optimal strategy to improve the financial situation of the enterprise." When GM announced in May 2012 that in 2015 it would shift production of the "Astra" model from the main Opel production facility in Rüsselsheim to Ellesmere Port in England and to Poland, Schäfer-Klug criticized management and emphasized the better competitiveness of "his" Rüsselsheim location: "the current Astra from

Rüsselsheim is 219 euro cheaper than the one from Ellesmere Port, and of better quality." This attitude shows the competitive mindset of the works council chair, who like a co-manager is primarily concerned with Opel's profit, particularly in "his" factory... he has also accepted the closing of Opel Bochum.

## Struggle Against the GM Attack? The Works Council in Bochum

Of course, the works council chair Einenkel also criticized the relocation of the "Astra" model to other factories: "we're tired of being lied to… those who provide shitty quality are the ones allowed to build the cars." The decision is therefore "nonsensical", since Astra production in Bochum is about €500 cheaper than for example in England. If the works council chair praises the quality of the work of his labor force, that might be understandable. But to disqualify the labor force in the English GM/Opel factory exhibits a competitive mentality, similar to that of the chairman of the European works council…

Since voices arguing for the organization of a tougher resistance or even a strike became louder, Einenkel had to address them. On the one hand, after the announcement of the relocation of "Astra" production, the press reported: "Works Council at Opel Threatens Spontaneous Strikes. Einenkel announces spontaneous work stoppages 'at the first statement about closing'." On the other hand, there was a typical warning the day after the actual announcement of the plant's closing: "We won't allow ourselves to be provoked into going on strike!" Earlier, Einenkel had already promised "not to succumb to 'blind actionism', but rather work together with the labor force, IGM, and politicians to seek 'smart solutions." And on June 1, 2012, Einenkel announced a "last resort": "As a last resort, the union might threaten a long legal process…"

#### Struggle against the GM attack? The labor force in Bochum is stubborn...

In the labor force, from the very beginning, there were heated debates about the course of action, but other than short-term production stoppages due to informational meetings of the works council, there were no tough attacks on GM. One has to keep in mind:

1. Many of the 3,500 colleagues, particularly the older ones, are still waiting for a settlement (the average age at Bochum is over 47 years).

2. Particularly since the disappointing experiences of the Bochum strikes of 2000 and 2004, which were not supported by IGM, the workers have almost no hope that their union will mount a tough opposition to GM. In the labor force, there were demands for a "national boycott action against Opel", "solidarity strikes in all factories," but such ideas contradict the declared goal of IGM and works council leadership that Opel has to regain "growth" and profitability.

3. The workers no longer saw themselves as having the power, as they did in 2004 with over 8,000 employees, to force all of GM/Opel-Europe into a standstill by illegally occupying the factory for days.

4. There was and is no unity around the demands of the labor force: "Settlement!" means giving up the factory. "Keep building Opel cars here" appears unrealistic and questionable in terms of its competitiveness with regard to other Opel workers at other locations, as well as ecologically short-sighted. However: even in the case of many younger workers, an unattractive settlement offer might be "the last straw"...

# A discussion proposal: the struggle against such attacks by multinational corporations needs a long-term perspective...

Many individuals and leftist groups have attempted to support the Bochum labor force in solidarity. This showed that defensive struggles in individual workplaces in Germany, mostly under official union leadership, are far removed from the numerous anti-capitalist protest events, just as the latter are far removed from the defensive demands and everyday consciousness of most wage-workers. Out of the factories, in front of the city halls, with frequently proclaimed demands like "6-hour day at full wages!" or "Stop social cuts" and "We won't pay for your crisis!" -- for that, there is no mass movement in sight.

The current development of the crisis will cause fundamental debates to heat up on the part of the mass of employees in the automobile industry concerning our economic and social system. "Conversion of key industries to communal property" (§ 2.4 of the current IG Metall statutes!) -- most colleagues right now do not have any hope in such demands, and not only because they see power firmly in the hands of the capitalists and their politicians. They also correctly ask: what could we expect in that case? Whoever speaks of "expropriation", also has to discuss *appropriation*: how can we imagine a process that brings power over production and distribution under the direction of the vast majority of people?

# About the author

Wolfgang Schaumberg worked for 30 years at Opel in Bochum, was a member of the works council for 25 years, and today as a retiree is still active in the Opel working group GoG (Gegenwehr ohne Grenzen, or "Resistance without Borders"), in the union and Occupy movements and in projects to connect with people in China. See <u>www.forumarbeitswelten.de</u>