

TIE Global and Network Auto organise a conference on the auto industry's crisis



October 9 to 11, 2009, TIE Global and Network Auto organised a conference in Germany on the global crisis and its consequences for auto workers. Network Auto is a working forum of shop stewards and works council members from the auto sector. Around 50 colleagues from production, assembly and supplier factories in Germany, but also South Africa, the US, Canada, and Sweden, came together to assess the current crisis and develop new perspectives.

Taking into account the worldwide overcapacities of the industry, most of the participants agreed that the crisis will trigger global power shifts and restructurings (downsizing, factory closures, changes in labour relations, pressure on workers and unions). While the surviving companies will emerge from the crisis stronger than before, trade unions will end up being much weaker – if all they have to offer is a mere effort to smoothe-over the crisis' consequences. Therefore, the participants of the conference objected to a union strategy that focuses on securing "one's own" production through concessions on wages and labour

standards. But it also became clear that "the current crisis reaches beyond the auto industry and is also a crisis of the labour movement and of the Left generally", according to Sam Gindin who before retiring was a leading figure in the Canadian Auto Workers' Union CAW. "It should be the political Right who gets into trouble through the crisis of capitalism – but instead it is the Left." What unions need to do now is not only to act with greater determination, but to basically transform themselves. They must establish a focus on social change and solidarity beyond factories and beyond national borders, instead of accepting workers being played off against each other.

USA: UAW down and out?

The failure of unions has become prominently clear in the US where mass layoffs and factory closures happened without meeting significant or visible resistance. Frank Hammer, a former auto worker and shop chair at his local, sees this based in the "concession politics" played by auto union UAW's leadership "for 30 years". The big companies have outsourced large parts of

production, pushed the factories into relentless competition for the lowest wage and labour standards, and successfully pressed for lower wages of newly hired workers. "The union has not only accepted these deteriorations, but sold them to the workers as being good and appropriate", Hammer criticises. In order to avoid resistance to these politics, internal union democracy has been crucially weakened, adds

Sam Gindin. This is reflected in the membership numbers of the once powerful UAW: while 470.000 GM workers had been UAW members in the late 70s, a meagre 65.000 members were left, according to Gindin, when the company filed for bankruptcy in 2009. With the suppliers, the union membership rate even went down to 10 percent from nearly 30% unionised in the 1970s.

Downsizing international

In Sweden and South Africa, too, workers are facing the consequences of the worst crisis ever experienced in the auto industry. Jeffrey Fortuin and Mbuyisile Lucwaba of NUMSA metalworkers' union are reporting that the German Daimler company is reacting to the dwindling demand with interruptions of production and with layoffs at its East London plant. The factory is being closed down for weeks and the workers sent home. NUMSA is trying to obtain at least partial compensations for the lost

wages, and pushing for qualification schemes to be offered the workers in the phases of halted production. The unions have convinced the government to provide some funds for such qualification measures.

According to Lars Henriksson, Volvo, the Swedish auto industry is „extremely affected“ by the crisis, too. Contrasting the bankrupt GM subsidiary Saab, Volvo workers had never become subject to redundancies in the past. But during a few weeks preceding the conference, thousands were dismissed.



Germany

In Germany, workers with an insecure or precarious employment status have been badly affected by downsizings while economic policies such as short-time work or scrappage premiums have mostly spared, so far, core workforces in the assembly plants from job losses. The major impact on jobs is still expected to come in 2010. Unions mostly act merely defensive, though. Factory based collective agreements have been established during the last two decades, mostly trading wage concessions for job guarantees. This has led “to an erosion of members' and workers' trust in unions and to a decrease of self

confidence in the enforceability of alternatives”, comments Tom Adler, IG Metall and Daimler works council member. Mobilising efforts have been too cautious, hardly a sufficient answer in this highly dramatic situation. “Plants acutely facing closure are the worst: there, the official union strategy is characterized by helplessness”, states Matthias Fritz, leader of the IG Metall shop stewards at Stuttgart based auto supplier Mahle. Efforts to bridge the crisis with short-term work and qualification programs alone, are not able to provide outlook here. „It is important to make visible that people do criticize these politics of waiting and enduring”, Fritz stresses.

New Perspectives

The conference participants looked for adequate answers to the crisis on several levels. Firstly, resistance to job losses and the fight for jobs and decent working conditions has to be on the agenda – not by strengthening competitiveness, but as a common move against company power, but by discussing a concept of socially valuable work, work time reduction etc. Secondly, the ecological crisis linked to the economic crisis makes clear that a fundamentally different concept of transportation is needed. According to transport specialist Winfried Wolf this

includes, among other issues, a politics of focussing on local structures, the promotion and broad expansion of short-distance and long-distance public transport, a shift of transports from air/street to rail, and an effort to reduce transport volume, avoiding non-essential transport. Thirdly, we must confront the “big questions”: What kind of society do we want? What does socially valuable work mean? Participants thought that it will be important to think about a national plan to work the economy. How to develop and implement a different public transport, alternative energy? Auto industry has

engineering capacity that could be converted. How can we build a movement for this? What capacities and what forms of organising do we need? How can we win and strengthen self-consciousness to bring this on the political agenda? Participants and plant groups are planning to discuss these issues more consistently and develop strategies within their workplaces, using two self produced brochures. Additionally, a bigger conference shall possibly be organised in 2010, bringing together workers from the auto and transport sector and other social groups like members of parliaments, of ecological and transport political groups.