

GM workers in Brazil strike against mass layoffs

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On Saturday, GM announced the summary firing of 1,200 workers in Brazil at three plants in the state of São Paulo in the cities of Mogi das Cruzes, São Caetano do Sul and São José dos Campos. It took place after the majority of workers rejected the proposal for voluntary dismissal programs (PDV) at the three plants.

To the surprise of the company and the unions, the announcement was met with explosive opposition. Assemblies held on Sunday and Monday approved indefinite strikes, immediately putting 11,500 workers in struggle against GM's measures.

On Monday, the union bureaucrats published a joint letter pointing out the obvious contradiction between the auto giant's financial prosperity and the massive job cuts, stating: "All the cuts are unjustifiable. The automaker claims a drop in sales, but on the contrary, it recorded an 18.18 per cent increase in Brazilian sales between April and June this year... In addition, it made a net profit of 2.57 billion dollars (R\$12.94 billion) in the second quarter of this year, an increase of 51.6 percent year-on-year."

A month ago, the company sent letters to workers in the São Paulo plants proposing to "discuss" their "voluntary dismissal." Such letters were also sent to workers at GM's Gravataí plant in the southern state of Rio Grande do Sul, with management stating that workers would suffer cuts from that moment on. However, even faced with the prospect of a widespread attack, the unions did not organize any kind of response.

On September 19, after the PDV proposed by GM suffered a mass rejection, news emerged that the company had started laying off employees at the São Caetano plant. However, the president of the São Caetano do Sul Metalworkers Union, which is affiliated to the Força Sindical union federation, Aparecido da Silva, known as Cidão, played down the threats, saying: "So far [only employees who had already retired] have been fired."

The fact that workers in São Paulo went on strike in direct opposition to their own layoffs has forced the union to adopt a false rhetoric in favor of keeping their jobs while waiting for more favorable conditions to impose the layoffs demanded by GM. However, due to their widespread discrediting among

workers, the unions' ability to deflect the huge opposition seems to be increasingly in check.

In their joint letter, right after the union bureaucrats lament that "GM has failed to comply with layoff agreements signed with the unions," they state that "the three unions are seeking negotiations with the automaker to reverse the layoffs and guarantee jobs." In other words, even though GM's management has clearly shown its indifference to the agreements signed with the unions, the bureaucracy has no other response than to repeat this maneuver, which is widely distrusted by the workers.

The reality is that the announcement of the layoffs directly exposes the union bureaucracy itself, which in recent years has promoted the claim that it would be enough to submit to the "agreements" between the union and the company to guarantee "job stability."

In March 2020, at the beginning of the COVID-19 pandemic, GM announced 15,000 layoffs that would cut wages and benefits. The union in São Caetano, under the leadership of Cidão, immediately worked to force the layoffs through an "online vote" that never took place. The layoffs did not prevent further cuts in the negotiation of the collective bargaining agreement in 2021, with the union abandoning the workers' 13-day strike in deference to a court decision, stating that "Obviously the union respects the position of the assembly, but the court decision must be followed." At the beginning of 2022, even as Ford closed its plants and left the country, violating all the agreements made with the union, the bureaucracy forced the workers to remain on the production line until the last day.

A decisive role in the suppression of auto workers has also been played by the São José dos Campos Metalworkers Union, which is affiliated to the CSP-Conlutas union federation, controlled by the Morenoite Unified Socialist Workers Party (PSTU). While presenting itself as an "opposition" union, it oversaw the dismissal of 12,000 workers between 2010 and 2020.

Today, amid the biggest inflationary crisis in decades and after years of job and wage cuts in the automotive plants, the explosive opposition of GM workers in Brazil against yet another round of layoffs threatens to break the unions' straitjacket, also putting the upper echelons of the bureaucracy

of the trade union federations and the government of President Luiz Inácio Lula da Silva (Workers Party – PT) on alert.

This week, the major union federations produced a joint note repeating the points of the local unions’ letter, and the president of the ABC Metalworkers Union, affiliated to the CUT, the PT-controlled union federation, Moisés Selérges, visited the São Caetano plant to give a speech in “solidarity.” Selérges’ history of betrayal and his visit to striking workers should be taken as an indication of the betrayal being prepared in the plants with the help of the PT’s union apparatus.

Selérges assisted Mercedes-Benz in imposing a PDV at the São Bernardo do Campo plant exactly one year ago. During the strike, which was sparked by huge opposition to the cuts, the union authorities blamed the Chinese workers, essentially adopting the same fascistic rhetoric as then-president Jair Bolsonaro, and sought to cultivate illusions that a new Lula government would mean a new period of improved living conditions and increased employment. Meanwhile, they sought to pit outsourced workers against permanent ones, insinuating that the mass layoffs were an opportunity for new temporary contracts.

The unions also appealed to the Lula government and to the governor of São Paulo and former minister in the Bolsonaro government, Tarcísio de Freitas. In their letter, they called for “immediate intervention by the Federal Government, the Ministry of Labor, the Government of the State of São Paulo and the Labor Attorney’s Office.”

This intervention is in line with what is happening in the current auto workers’ strike in the US. There, the UAW has made every effort to keep the strike isolated and impose a new concessions contract amid a serious inflationary crisis. After its president, Shawn Fain, kept the strike of 150,000 auto workers in the US limited to a small percentage of plants, he announced on Wednesday a contract in favor of the interests of GM, Ford and Stellantis.

In a sign that the new agreement will mean a new round of cuts in living standards, US President Joe Biden, who has been closely following the auto strike, immediately praised it, highlighting the document as an example of “business and employees resolving their disagreements at the bargaining table, helping business succeed while helping workers.”

The growing realization that the threats faced by Brazilian workers are the same as those posed by the American auto workers strike did not go unnoticed by the union federations, which came forward in their joint statement: “GM metalworkers in the state of São Paulo also have mutual support with auto workers in the United States. On strike for over a month, the American workers are fighting for a pay rise and better working conditions. The movement is led by the UAW.”

GM’s cuts in Brazil are linked to huge transformations in the world capitalist economy, in which the energy transition is intensifying the competition for domination of the electric and

autonomous vehicle market between automotive corporations. In addition, the ruling classes in the centers of imperialism hope to use the energy transition to force the transition to a war industry. The Lula government represents the Brazilian capitalist elite, which intends to make the working class pay for the costs of this transition.

As the workers carry out their strike against the layoffs, the unions in the different plants will try to keep their struggle divided and divert it towards a negotiated solution with the company itself, which inevitably means accepting its final decision.

The announcement of the summary firings by GM needs to be denounced as widely as possible, and it will be met with the warmest solidarity from auto workers and other sectors in Brazil and around the world facing the same situation.

Currently, workers at Mercedes-Benz (Daimler) in São Bernardo do Campo are on the verge of massive layoffs after the company’s regional president declared last month that “our intention is to outsource everything locally.” At GM’s Gravataí plant, workers are being forced to work longer hours to avoid being laid off.

In the southern state of Paraná, Renault workers halted production for a day after repeated demands for greater safety on the line were ignored by management with the compliance of the local union. Teachers and civil servants in São Paulo and Minas Gerais have staged numerous walk outs and strikes against the attacks on social services.

This situation points to the possibility of a unified struggle between the auto sector and workers from other sectors in Brazil and around the world. In the US, this is happening through a network of rank-and-file committees, independent of the unions and democratically controlled by the workers, which are discussing a response to the concession’s agreement prepared by the UAW, and organizing themselves with Mexican and Canadian workers. This initiative should inspire Brazilian workers entering into struggle to adopt the perspective of forging a unified struggle with workers in the US and beyond.



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