Labour Solidarity in Crisis? Lessons from General Motors

by

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Background and research question

● during the 2008-2009 crisis, workers across Europe exposed to similar challenges (Marginson 2010)

BUT

● unions’ anti-crisis actions limited to the national level

=> Why did European unions fail to counter the international dimension of crisis with an internationally-coordinated response?
Before the crisis: MNCs’ tactics…

- transnational organisation of production => advantages to the management (Peoples and Sugden, 1991)
  - collective action more difficult
  - companies’ ‘divide and rule’ tactics

- European automotive industry in late 1990s/ early 2000s:
  - structural problems and overcapacities
  - product standardisation
  - spread of (internal) benchmarking
  - concession bargaining
... and workers’ response

- growing incidence of cross-border union networking

- General Motors Europe (GM) as a cooperation ‘success story’:
  joint negotiations with GM’s European management within EWC; Europe-wide Action Days, ‘sharing the pain’ of restructuring, conclusion of IFAs; coordinated resistance to management demands
  ⇒ critical case for labour transnationalism
General Motors in 2008-2009

- plans for Opel’s sale
- Germany’s government’s preference for the Magna/ Sberbank bid
- divisions among GM unionists – local interests prevail
- EU Competition Commissioner’s probe
- GM’s decision to scrap the deal and company-led restructuring
Accounting for solidarity failure 1

Before the crisis:

- state intervention moderate
- workers at MNCs to a higher extent exposed to ‘divide and rule’ tactics

⇒ emergence of labour transnationalism:

  a) West-West: ‘risk communities’ in reaction to whipsawing (Fetzer 2008; Greer and Hauptmeier 2008)
  b) East-West: exchange of benefits (Bernaciak 2010)
Accounting for solidarity failure 2

2008-2009 crisis:

- West European states' increased involvement in the economy => re-emergence of ‘windows of opportunity’ for union action at the national level

- national actions preferable in view of
  - immediate gains
  - the absence of defection risk
Drawbacks of interventionist anti-crisis responses

- *ad hoc* reactions => workers vulnerable to cuts once the states withdraw their support

- geographically limited scope of government interventions: Central-Eastern European workers without state support

- breach of trust => difficult to restore pre-crisis cooperation levels (at GM: local negotiations for post-2015 Astra)
Conclusions

- labour transnationalism likely to fail in the presence of strategic alternatives at the national level

- even in ‘most-likely’ cooperation cases, local interests still delineating the extent of union involvement in cross-border action

BUT

- fragility of national anti-crisis responses: no alternative to labour transnationalism?
Thank you for your attention

Comments welcome!