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Europe

# Solidarity across the Rhine

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**At the beginning of September in Germany, when the federal electoral campaign entered its final phase and all eyes were on the floods in the east of the country, a veritable social bomb exploded: France Télécom announced its intention to cease financial support for its subsidiary, MobilCom.**

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This company, which specialises in mobile telephone services reselling activity, is also number two in the field of Internet services. In August 2000, MobilCom had moreover won an operating licence for the third generation in mobile telephony (UMTS) for the astronomical price of 8.4 billion euros. After having taken over the company at 28.5% in spring 2000, the management of France Télécom now wished to disengage from it, placing 5,500 jobs at risk. An eventual declaration of insolvency for MobilCom was on the agenda of the Board of Governors of France Télécom on September 12. It was necessary to act quickly. For SUD-PTT [1] the attack against the employees at the German subsidiary was only a stage in a future 'rectification plan' which would make the employees of the whole company pay for their employer's negligence. Three years after its flotation on the stock exchange, France Télécom's transformation into a multinational has led it to indebt itself unreasonably on the basis of a gamble that the ever-rising share prices of the 'new economy' would last indefinitely. Establishing links with the workforce at MobilCom was in no way an obvious move. Ver.di, the German trade union affiliated to the Union Network International (the international telecommunications trade union) had no presence at MobilCom. The fact that the French unions organized at France Télécom - FO, the CFDT and the CGT - were, like Ver.di, affiliated to the European Trade Union Confederation and the UNI was not, then, much help.

## The effects of Porto Alegre

It was, finally, trades unionists from the SUD-PTT federation who came to establish links with the workers at MobilCom. Alain Baron, SUD-PTT representative on the Board of Governors of France Télécom, tells it like this: "We had naturally begun by entering into relations with Ver.di, the main trade union at Deutsche Telekom. However, as Ver.di did not have any contacts at MobilCom, we also approached activists in IG Metall, with whom we had made links at the World Social Forum at Porto Alegre. We then learned that IG Metall had a presence at MobilCom. We were then able to enter in contact by email with the relevant people in IG Metall and the representatives of the staff at MobilCom.

"The staff were in a state of shock: like many 'start-up' companies, this one had for a long time experienced a euphoric and rapid development. The announcement of probable insolvency in the case of the withdrawal of France Télécom had been a real thunderbolt. The union's presence was recent and fragile with few members by German standards. Without a tradition of struggle or militant experience, the workforce at MobilCom were also confronted for the first time with the French trade union scene, which is so different from what exists in Germany: representatives of four different unions sit on the Board of Governors of France Télécom." [2]

IG Metall and the representatives of the MobilCom workers sent a letter to the seven employees' representatives on the France Télécom board asking them to oppose the ending of financial support for MobilCom. Part of the letter read: ' Dear Colleagues, we turn to you, to ask you for your support and aid. The Board of Governors will decide on September 12, 2002 on the fate of the Group MobilCom, and thereby the future of more than 5,000 jobs in Germany. We, the trade union representatives at MobilCom and the trade union IG Metall, follow with great interest the decision that the Board of Governors of France Télécom will take... we ask you, to the extent that it is possible, to plead

personally before the Board of Governors..."

This letter facilitated an agreement between the French representatives and their trade unions, who opposed all the plans put forward by management at the Board of Governors meeting on September 12.

Alain Baron continues: 'It was the least we could do - it's obvious that trades unionists should oppose layoffs, but it had great importance in Germany and got big headlines in the newspapers. That also gave confidence to the employees at MobilCom. On the day of the Board of Governors meeting, a rally of around 1,500 people was held at midday in front of the MobilCom office. In a workplace of around 5,000 people, with little tradition of struggle, it's enormous, that effectively represented nearly 100% of the people at work that day in the region where the office is situated. The fact that the German trades unionists could announce that the representatives of the French workforce would vote the same evening against insolvency also contributed to the pressure on the German government, which then intervened with the French government. Then, Schroder - it was a week before the elections - finally announced that the banks linked to the German state would grant 400 million euros credit to MobilCom. Immediate insolvency and thus the dismissal of all the workers was averted. That had a great importance for our German colleagues because it would have been difficult to pursue the struggle, above all in a sector where some of the jobs are quite dispersed geographically. This danger being ruled out for the immediate future, they then sought to obtain the best conditions possible concerning the number of jobs to be axed and the social plan. MobilCom had announced its desire to quickly axe 850 jobs through the closure of three centres in the regions of Munich, Frankfurt and Kiel, as well as the freezing of its UMTS activities, which affected from 1,000 to 1,200 jobs. Nearly half the total jobs are still threatened, then. The union did all it could to save as many jobs as possible, while seeking to negotiate the best redundancy conditions for the people who will be finally laid off.'

## 'Nothing can replace direct contacts'

The German trades unionists were enthused by this experience, new for them, of unitary action across frontiers. This strengthened their belief that, faced with the internationalisation of capital, it is high time to create international solidarity based directly on the trades unionists affected. On September 24, three German union officials attended the Federal Committee of SUD-PTT in Paris that meets three times a year with around 250 departmental representatives present. Kai Petersen, who heads the regional bureau of IG Metall in Rendsburg and who, in this capacity, is directly involved in the organisation of trade union activity at MobilCom, told the meeting: 'What I see now is something miraculous that I can not even describe, despite my experience of more than 20 years in our union. It began with an email from activists in SUD who wanted information from me on the situation at MobilCom. It was the evening of September 9. And from that was born a marvellous cooperation between five European unions to fight for jobs... This process has taught me that the international departments of the unions are important and necessary, but that direct contact by Internet is more powerful... The initiative from the SUD activists is priceless. Without them, there would have been no coordination with the comrades of the other unions. Without them, we would not have had the possibility of establishing useful contacts with the French media. In addition, without them there would not have been this big headline in the German press during the announcement of the separation of France Télécom and MobilCom: 'The representatives of the French employees vote against the France Télécom plan.' Your commitment was not, and is not something we could have predicted and that has given a lot of courage to your comrades at MobilCom... We were in a position, with the resources and the logistic resources of our union, to create an efficient network between the government, media and cross-frontier unions, which has enabled us to protect 5,500 jobs. For the moment, MobilCom has not gone into insolvency and there have been no dismissals. We have gone through a formidable experience of trade union resistance. In a short time, the union has become an accepted and respected institution at MobilCom. In short, we are now taken very seriously both by our collaborators and by the management. We are in large part indebted to you for the road we have taken'.

This enthusiasm is shared by James Ford, an employee at MobilCom and workers' representative on the workplace council ('Betriebsrat'), who says: 'The involvement of the French unions showed me - and that makes me confident and proud - that we, as human beings, are really on the road to a united Europe. And now I have really lived it: we, the trade unions, are one big community. We no longer think at the national level. We pay attention to each other! It is not possible to describe what your solidarity has led to at MobilCom among my comrades. For that, I would like to thank you cordially. We defend together everywhere in Europe the right for workers to be able to discuss as equals with the representatives of capital. Your support and your 'yes' to MobilCom at the Board of Governors of France Télécom have given us great courage and strength".

The cross border unity established in the France Télécom group is indicative of a new social climate. The attacks of the multinationals on jobs, their ability to relocate, do not often meet with an adequate response from the unions. Enclosed in their local, routine interests, bogged down in inter-apparatus negotiations, the traditional unions often find it hard establish contacts which can mobilise employees in several countries against the same employer. The international structures of trade unions, when they exist, are in general too distant from the union activists on the ground.

## Internationalists for a long time

Since its creation, SUD-PTT has always sought to establish international contacts at every level. For example, SUD activists are involved in the 'European Marches against Unemployment', ATTAC, The World Women's March, the World Social Forum, the European Social Forum, and so on. Building international links between unions is not obvious, because the traditional unions call the shots for the existing international structures. These are, moreover, cumbersome bodies sometimes cut off from the reality on the ground. For the new unions it is difficult to fit in. SUD-PTT has, for example, been asking for some years to participate in the UNI which brings together most of the telecommunications unions in the world. But that has been delayed for a long time, since prior agreement is needed from the French post and telecommunications unions already affiliated to the UNI: FO, the CFDT and more recently the CGT. Alain Baron continues: 'This stops us from having links with many unions around the world. That's been shown with MobilCom. In the same way, SUD was the only European union to participate in late September in the USA at a conference of call centre employees organised by the Communication Workers of America (CWA), who with 740,000 members are the biggest telecommunications union in the world and thus the main member of the UNI.

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"In January 2002, SUD was the only French union present at an international meeting organised by the Cuban posts and telecommunications union. We were in Tunisia in spring for study days organised by a Tunisian union on the planned privatization of Tunisie Télécom. During our respective congresses, there were exchanges of delegations between SUD and the telecommunications union affiliated to the CTA in Argentina. The same goes for Zachtchita, a newly created Russian trade union. SUD seeks to work with all trade union organisations whether affiliated to the UNI (like the CWA), or not, like the CGT in Spain or the Cobas and the SinCobas in Italy. Progressively, SUD-PTT has thus established bilateral links and exchanges with trade union organizations in many countries: Spain, Italy, Sweden, Germany, Brazil, Argentina, Cuba, South Korea, USA, Senegal, Tunisia, Russia, Bosnia, and so on. If we believe the comrades of MobilCom, our support has helped them a lot."

"This is also the case with Senegal, where France Télécom controls the operator. In 1996, colleagues at SONATEL could not win some of their demands. Three representatives of the unions came to Paris and met the Board of Governors of their company (as in the good old colonial days). At their request, some SUD and CGT activists came to support them with banners and leaflets at the entrance to the building where the meeting was held. Following this solidarity action, our Senegalese colleagues were able to win a considerable increase in pay. Two years later, at one of our meetings where we had invited a representative from SONATEL, they kept talking about the 'battle of Paris'. At

the beginning we did not understand what they meant and then we realised they were talking about the completely basic solidarity that we had shown them two years earlier. We would never have imagined that the few things that we had done on that day would have proved so effective.'

Baron adds: "A close link exists between our will to build international trade union links and our commitment to more global struggles. Our current links with IG Metall, for example, began at the meeting of activists in our two organisations at the WSF in Porto Alegre in January 2002. Thanks to this type of direct contact, we were able to act together around MobilCom. The easiest way to cross the Rhine was through crossing the ocean '.

## Workers unity, public service

Since France Télécom was floated on the Stock Exchange and began to transform itself into a multinational, its management is increasingly less concerned with the public service the company is supposed to provide, and increasingly focused on short-term dividends for the shareholders. In France, employees have until now managed to preserve a number of gains - 80% of employees have kept their status as public servants - and France Télécom must respect some of its obligations as a public service. However, this is far from being the case in other countries. Abroad, France Télécom is characterized by predatory behaviour like any other multinational. Alain Baron explains: "Telecommunications play an essential role in the equality of access of citizens to communication, the development of territory, jobs and economic development of a country. Decisions concerning them should then be taken at the closest to those affected, in the country itself, according to the needs of the population, the political and social debates that exist there, and so on. Such choices should not be made in Paris, on the basis of financial criteria. Yet this is what happens when France Télécom becomes the owner of a foreign operator. It does not respect the commitments made initially. In Poland for example, when it took control of TPSA, the historic Polish operator France Télécom committed itself to no suppression of jobs until 2004. Then, last year, a reduction in jobs of 20% was announced and hence layoffs.

"It was the same thing in Argentina, where France Télécom and Telecom Italia control Telecom Argentina: the current total of debt built up by this operator corresponds to the sums that France Télécom and Telecom Italia have repatriated over ten years. And we were only able to know this thanks to the Argentine unionists with whom we are in contact: a representative of the Argentine union affiliated to the CTA came to our last national congress and a representative of SUD is invited to theirs this autumn'.

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'If SUD opposes the acquisitions of foreign operators it's in part because that is accompanied by a veritable explosion of the indebtedness of France Télécom: the current debt is almost the same as the amount of the acquisitions over the last three years. But it is above all because such a policy is opposed to our conception of public service. It places the foreign operators under the pressure of criteria of the short-term profitability of France Télécom. Also this policy is accompanied by the putting in competition of and the privatisation of foreign operators originating from the PTT [the French Post Office]. There is no question for SUD of accepting there what we oppose in France."

'The challenge we face is keeping ourselves informed about what is happening in the foreign subsidiaries, informing French employees about the behaviour of France Télécom abroad, and supporting the struggles underway around the world. Now France Télécom has its grip on these operators, it is the duty of French unionists to consider the employees of these enterprises as colleagues belonging to the same group, and fight shoulder to shoulder with them against our common employer. It is also what SUD seeks to do in relation to the other telecommunications groups around the world."

[1] SUD-PTT is a militant new union created by unionists expelled from the CFDT during the strikes of autumn 1988, which has rapidly become the second union at France Télécom and the Post office. At the professional elections of October 2000, SUD-PTT won 18.72% of votes (the second largest total) at the Post Office and 28.02% (the second biggest organisation) at France Télécom. In March 1989, three months after its creation, SUD won only 4.2% at the Post Office and 5.9% at France Télécom.

[2] France Télécom's Board of Governors seats two representatives of SUD-PTT, with two from the CGT, two from the CFDT and one from FO.