

**Building Transnational Solidarity Along the Value Chain:  
Experiences from a German and South African Union Initiative**

The auto industry is characterised by the concentration of few dominant original equipment manufacturers (OEM's) worldwide, whose operations are spread globally. While about 30 years ago, in the auto industry product development, assembly, sales and marketing of a product were integrated into single enterprises, today huge parts of the value chain consist of many different component suppliers and service companies. Outsourcing and offshoring (relocation) of production have been dominant features of the restructuring processes in the auto industry on the national and global scale. While in Germany the in-house production depth of OEMs is declining (Hauser-Ditz et al. 2015: 13), cost reduction pressure on component suppliers (Meißner 2012) and outsourcing has increased. Accordingly, production processes are streamlined in favour of a temporal and spatial flexibilisation of labour (Bieling/Dörre/Steinhilber/Urban 2001), resulting in increasing pressure on directly employed and supplier workforces and the fragmentation of labour standards. It is widely acknowledged that trade unions face major challenges in developing effective responses towards the globalisation of production processes. The research project on “*Building Transnational Solidarity along the Auto Value Chain*” in Germany and South Africa conducted by the authors<sup>1</sup> was initiated jointly by IG Metall and the National Union of Metalworkers of South Africa (Numsa). Both trade unions have committed themselves to rejecting the division into “core” and “non-core” workers and to organising along value chains (IG Metall 2013, Numsa 2013).<sup>2</sup> This includes a broad definition of the workplace that accommodates all workers who belong to the same value chain and makes new organisational strategies necessary (e.g. Herod 2015, McCallum 2013).

The research project entails a “mapping” exercise of the first tier of auto value chains in a transnational perspective by using two German OEMs as a point of departure. To complement the desktop study, expert interviews with work council members in Germany and shop stewards from South Africa from OEMs, component suppliers and logistic companies are conducted in order to identify organising strategies along the auto value chain which cut across the divide (core/non-core workers, OEMs/suppliers/logistics, Global North and Global South). Furthermore, strategies of building (transnational) solidarity along the value chain are discussed by work council members and shop stewards at a workshop in Johannesburg in May 2017; a process which is also evaluated by the researchers. The workshop aims at identifying and developing good organising practices along value chains and at strengthening transnational links between workers of supplier and logistic companies. We would like to present first results from the project at the GLU conference by addressing the following questions (theme 2 of the conference):

- 1) In the view of work council members from Germany and shop stewards from South Africa, what are the most significant changes in the structure of auto value chains and how do they impact on the union's ability to organise workers along the value chain?
- 2) How can (transnational) solidarity be build along the value chain? Which lessons can be drawn from good organising examples?

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<sup>1</sup> The project is conducted together with *Sharon Nembaleni* and *Melanie Roy* from the Numsa Research Institute.

<sup>2</sup> IG Metall has initiated a broad and conceptual debate on organising along the value chain within the union (Ludwig 2014). At its Special National Congress in December 2013, Numsa has decided to broaden the union's scope and committed itself to organising workers along the value chain.

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