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**THE TRADE UNIONS AGAINST  
MULTINATIONAL COMPANIES**

AITUC PUBLICATION

**The Trade Unions Against  
MULTINATIONAL COMPANIES**

**A I T U C   P U B L I C A T I O N**

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## Information Booklet - 1

*This dossier was first published in the Journal "World Trade Union Movement", the organ of the World Federation of Trade Unions, in 1971.*

*It is being issued by us as reference and information material on the occasion of the Asian Seminar of Trade Unions (1972), proposed to be convened in March 1972 in India by the All-India Trade Union Congress (WFTU Affiliate).*

—AITUC

## INTRODUCTION

The Editorial Committee of "World Trade Union Movement" (organ of the World Federation of Trade Unions) has decided to publish periodically, a series of dossiers on specific topics. The aim is to collect the arguments and data relating to the main aspects of the class struggle being waged by the workers and their trade unions internationally against domination by the monopolies, against all forms of exploitation, and for social progress. Our aim with these dossiers is to take an overall view of these problems, to present them in the general context of the international class struggle, and to reach conclusions which can help to co-ordinate this struggle and strengthen the movements towards unity which are a feature of it at the present time.

This is the first study, which appeared in the May-June issue of this journal.

— *The Editorial Committee of the  
"World Trade Union Movement"*

# I

## SOME COMMENTS ON THE ORIGINS OF THE 'GIANTS' OF EXPLOITATION

At the beginning of the twentieth century, as a result of internal contradictions, monopoly capitalism passed over progressively to the stage of imperialism. The outcome of this process was the increased concentration and centralisation of capital. The monopolies assumed increased importance in the economies of the developed capitalist countries, and in the undeveloped colonial countries.

There appeared at this time what were commonly called the ultra-monopolies.

The characteristics of these were their need for high levels of equipment and technology, the need for research and large-scale capital, increased concentration, national control over prices and domination of the international terms of trade. All this was aimed at *resisting increased competition on the world market* and achieving the main objective of the monopoly bourgeoisie — *maximum profit*.

Towards the middle of the century a new and more rapid process could be seen taking place in the develop-

ment of monopoly capitalism — international economic integration and the growing internationalisation of capital.

This process is bound up with scientific and technical progress, which itself requires new forms of economic co-operation, an expansion of services and transport, specialisation and international co-operation in production, and so on.

The enormous scale of enterprises and mass production gives rise on the one hand to the need to go beyond the economic barriers of States, and on the other hand to the need to involve States and public capital in the process of integration.

The search for international integration is dictated above all by the fact that the monopoly companies are seeing opportunities for high profits and expansion in their own countries diminish. They are also witnessing at the same time the intensification of contradictions among the imperialists, resulting from the desire for supremacy of the most powerful imperialism and its attempts to conquer the world's markets, which are being restricted more and more by the presence of a large socialist camp and the disintegration of the colonial system.

These contradictions, in addition to those already in existence between production that is increasingly social in character and the appropriation of the means of production by a decreasing number of groups, have helped to transform monopoly capitalism into State monopoly capitalism.

The strengthening of the power of the monopolies over national life, and its association with that of the

State in a single system, are treated by the monopolies as essential factors in guaranteeing maximum profits and the prolongation of the capitalist system.

Without going into details about the creation of world consortia and multinational companies, it should be noted as an objective fact that they have grown considerably. Over the past ten years, in Europe and the United States, they have become the focal point of changes in the capitalist economic system.

## II

### WHAT HAS MADE IT POSSIBLE FOR MULTINATIONAL COMPANIES TO EXPAND ?

The growth of productive forces and the exploitation of the workers in each country have contributed to the development of the monopolies, and the concentration of their labour and production. The growing interpenetration of their interests in production and banking and the growing support they receive from public forms of finance, have enabled them to strengthen such concentration, on the one hand on a national basis, and on the other hand to an increasing extent across a number of countries. The multinational companies, born of State monopoly capitalism, are changing its forms; they are increasing their concentration in each country much more quickly than finance capital used to do. They are increasingly demanding that public means of finance and of control be placed at their disposal. They are exerting all the pressure at their command on the workers in many countries and on the machinery of State, substantially altering to their own advantage the traditional forms of the exercise of power.

Another characteristic of their activities is that they do not limit themselves to the manufacture of a single product or activity in a single branch of industry. They are diversified complexes, covering a number of branches.

Many of the companies are giants which straddle more than one continent. It is no longer a question simply of large or enormous undertakings, but of a qualitatively new kind of unit, also reflecting their growing influence over the public powers and the whole organisation of capitalist society. They are sometimes directly represented in State administration.

It is with State aid that the most powerful monopoly groups at national level seek to act in concert with the multinational companies. They need to have a more and more intransigent State economic policy, which, as the agency for exploiting the workers and wide sections of the population, enables them to ensure finance for their international expansion and for the development and strengthening of their industrial bases, so as to stand up against competition and the international concentration of capital.

The development of multinational companies within State monopoly capitalism has, in turn, widespread repercussions on the policies of States. To some extent it undermines them and requires the creation of supra-national institutions and policies. A 'model of the future' often put forward is one of the monopoly company which derives its capital and leadership from any one of various countries. Extrapolation from this conception goes hand in hand with theories about a kind of higher phase, in which the present imperialist powers will have harmonised their interests, and will coexist in world-wide groups.

Multinational companies have need of such integration and such supra-national concepts in order to avert the consequences of contradictions that exist in the capitalist world, and in order to have a more secure monetary basis. But this objective cannot be achieved, because they themselves will remain an important channel for competition between monopolies and imperialisms.

Whereas in Europe governments and monopolies are seeking to establish such a supra-national power, internationally there is already such a de facto power called the International Monetary Fund, which protects the supremacy of the dollar, accumulates European capital, decides on the devaluation of currencies, manoeuvres capital speculation on the largest scale, but in no way abates the contradictions inside imperialism, as is shown by the recent monetary ups and downs in Europe.

This situation has its roots in the policy of the United States after the second world war, and notably the Marshall Plan, which was not aimed at immediate economic returns, but particularly at a search for political domination over the capitalist countries as a whole. Nevertheless, the role played by the United States as banker to the capitalist world, by means of dollar loans to many States, enabled it to make the dollar dominant in the international monetary system.

The growth of multinational companies in the last ten years is a result of domination by United States capital in the capitalist world. The strengthening of this domination in Europe, particularly in certain industries, brought fear of American economic supremacy to the fore in the 1960s.

The data given below demonstrate that this fear was not without foundation.

The amount spent on equipment directly for American companies abroad in the years 1965-70 was as follows:

1965: 7,400 million dollars  
1966: 8,800 million  
1967: 9,300 million  
1968: 9,400 million  
1969: 10,900 million  
1970: 13,000 million.

The forecast for 1971 is 14,000 million but in fact this amount is likely to be nearer 15,000 million.

In 1969 direct investments abroad, according to the estimates made by the US Department of Commerce, are roughly as follows:

48,000 million dollars invested in the advanced capitalist countries (22,000 million of these in Western Europe)  
1,000 million in Japan  
1,000 million in South Africa  
20,000 million in the developing countries..

---

70,000 million — total

Some economists explain the growth of direct investment by the United States primarily by the fact that investments in the advanced capitalist countries are more strongly guaranteed against nationalisation and other measures of this kind, and then by the greater opportunities for applying modern scientific and technical methods, making a higher level of exploitation more possible.

As a result of the increasing integration and internationalisation of capital, the multinational companies have today become the basis of the capitalist system. They have

a virtual monopoly in the application of new technology. Because of their stronger position in the capitalist sector of the world economy they are trying to find new ways of subordinating the rapid growth of productive forces to the needs of capital.

These ways and means come into obvious conflict with the interests of the working people, and are therefore resisted by the working class, and the workers in general.

### III

#### **MULTINATIONAL COMPANIES DO NOT ALTER THE BASIC CHARACTER OF CAPITALISM**

In order to mislead public opinion, the theoreticians of State monopoly capitalism present the multinational company as an institution which introduces integration across national frontiers, while respecting national sovereignty and local cultural traditions. The aim of a multinational company, they maintain, is economic, and therefore relatively easy to define, to assess and to control.

They often maintain that the development of multinational companies must necessarily be beneficial to the workers, as the constant rise in the level of productivity will make it possible to raise the standard of living of the people and carry forward social progress. Such statements are always accompanied by false theories about changes in the nature of capitalism, under the title of 'managed capitalism', 'people's capitalism', 'modern capitalism', and so on. One of these theories, known as the 'managerial revolution', even claims that capitalists have now virtually disappeared as owners and directors of undertakings, and that they have been replaced by managers who are by definition only employees. 'Neoliberal' theory, while upholding the principle of free competition, calls for co-

operation by all sections of society with the State, which will automatically watch over the interests of the population.

*Contrary to what all these bourgeois theories claim, the character of capitalism has not changed.* The multinational companies it has created are the increasingly acute expression of contradictions between capital and labour, as is confirmed by the persistent and unprecedented struggles being waged by all categories of workers.

The workers are increasingly refuting the more or less disguised proposals for 'social peace' through State intervention or the creation of supra-national institutions, which would be given powers to supervise and correct the functioning of multinational firms, if they should come into conflict with society.

Some trade union leaders in the reformist tradition, however, are expressing views supporting the multinational companies and ascribing to them unwarranted virtues. They are trying to bring the trade unions to seek international norms and institutions which would compel the multinational companies to make their social policy more progressive.

To hope that the multinational companies will allow themselves to be liberalised by the monopolies' State, or by a supra-national body set up by the monopolies, is an illusion about the possibility of changing the nature of capitalism.

It is no accident that, alongside the development of multinational companies, various theories are beginning to be developed about the convergence of social systems, and in the social field, the need to integrate the trade union movement into the structure of the capitalist undertakings.

The effect of such theories can only be to weaken the workers' class struggle against domination by the monopolies. Every attempt to establish an association between capital and labour is aimed at deceiving the working class and the workers, in order to weaken the struggle for their demands.

## IV

### **SOCIAL REPERCUSSIONS**

The main features of the multinational companies, as we have seen, lead not only to a greater imbalance of productive forces but also to barriers to any opportunity to achieve a co-ordinated development of the economic basis of each country. As new phenomena of imperialism the multinational companies are the most consistent exploiters of the workers and the bastions of neo-colonialism directed against the developing countries.

Let us take a few examples.

The introduction of new techniques or the take-over of one company by another serves as a pretext for changing wage-payment methods. When Chrysler bought Rootes, in Britain, for example, the management immediately tried to introduce a method of 'daily time study'.

In many cases new factories are set up in low-wage areas, or in areas where membership of trade unions is weak or non-existent. Citroen, for example, is having a

large percentage of its components made in Spain, where wages are low, and then exporting them to France. In the United States and Canada the trade unions are complaining about 'run-away' firms which are setting themselves up in Mexico or elsewhere so as to use local labour at low wages.

At the same time, in the capital exporting countries unemployment is becoming a common and growing practice, creating a mass of reserve labour, making it easier to exert pressure on the level of wages.

Multinational companies also very often mean mass redundancy and precarious jobs. They sometimes close down for brief periods, for instance, in order to seek higher profits elsewhere. As decisions are taken thousands of miles away, on the basis of international considerations, it is difficult to estimate what long-term job prospects are.

When General Electric and Remington bought their French subsidiaries, many of the French workers were immediately made redundant.

In Australia, General Motors has for a long time had a virtual monopoly of the manufacture and export of Holden cars. It decided overnight to export no more Holden cars to Japan, but to export them from its California works instead.

An American company arbitrarily cancelled a contract in Bolivia, after the government of that country had nationalised an oil company.

National economic policy with regard to the creation of jobs, the location of industry, regional development, and so on, is made more difficult when the multinational companies enter the field.

*Mobility in the location of factories and production is also a weapon used against the trade unions. Multinational companies try to nip wage claims in the bud or paralyse the trade union organisations by threatening to close down factories.*

This method is also used to intimidate or side-track trade union organisations or strikers, thus illustrating one of the basic features of the multinational companies — *they are profoundly opposed to the trade unions, or, more precisely, they are violently opposed to the free functioning of the trade unions.*

The Pirelli company, for example, tried to evade strikes in Italy by resorting to imports from Spain and Greece. The American copper companies were able to resist a united eight-and-a-half month strike called by 26 unions, by increasing production in other countries, and by manipulating world prices. Raytheon closed down a factory in Sicily as a result of a labour dispute. Ford announced in February that its new factory would not be built in Britain because of the frequency of labour disputes. The American companies are making special efforts to try to destroy the existing trade union organisations.

The procedures followed by Nestle's and its subsidiaries are another example. At Sopad a French subsidiary of this multinational company, an anti-strike bonus was invented, as a supplement to the average monthly wage. In a recent strike, in March, the workers were told that they would lose two days' holiday and the anti-strike bonus for having gone on strike. At this works the trade union leaders are kept under constant surveillance. Dismissal is the most constant method of getting rid of the most active ones. In a strike on May 17, 1967, at Astigny, 26 workers were sacked.

Nestle's have also invented a 'personal bonus' for those who behave most timidly and politely to the employers. Candidates for this bonus have their religion and trade union membership taken into account.

Another pernicious outcome of the multinational companies is the fact that they concentrate the most highly-skilled personnel, research specialists, and so on, in the company's home country. When Raytheon merged with Cossor, for example, all the research and development work was transferred to the United States. This means that workers employed by subsidiaries are relegated permanently to second-grade work, certain skills are eliminated altogether from a given country, and the talents available to the country are restricted and unbalanced. This problem is of concern primarily to scientists, technicians, etc., who find their road to promotion barred or access to research work denied them.

The ground is prepared in this way for the 'brain chase' and the 'brain drain', which is so harmful to individuals but especially to countries. Disparities in the degree of technical development are heightened, and key industries come outside national control or are entirely lost to a country.

This hits hard at developing countries, although it also affects the developed countries.

The consequences of domination by the multinational companies over the developing countries, however, lie above all in the plunder of natural resources, and in the long run represent a catastrophe for these countries, even if the governments in the countries concerned, who have inherited the situation left behind by colonialism, are interested here and now in attracting new industries and capital investment.

The attitude of the multinational companies to the national sovereignty of the countries where they establish themselves could not be more clearly expressed than in the recent words of the chairman of the British branch of Ronson: *'The manager of a company controlled by the United States should set aside nationalist attitudes and understand that in the final analysis his loyalty should be to the share-holders of the mother-company and that he must protect their interests, even if in so doing he seems apparently to come into conflict with the national interests of the country in which he is operating'*.

The attitude of the multinational companies to the trade unions, their power to exercise long-distance influence over any attempt at economic planning, and to provoke crises, their predilection for 'safe' governments — all these characteristics show that the multinational companies are a most serious threat to national sovereignty and democracy.

## V

### **A UNITED TRADE UNION FRONT WILL ACHIEVE THE OBJECTIVES OF THE WORKING CLASS**

In relation to the changes that are taking place in the policy of capitalism, the trade unions need to organise their struggle internationally and raise it to a higher level. The search for co-ordinated action within a given multinational firm, the formulation of a policy of demands and of means of action which match up to the new situation, the inter-change of information and experience, the strengthening of international solidarity — these are what the workers need.

For this struggle to be able to develop internationally, the trade unions and their national and international organisations have a number of needs.

*1. They need up-to-date knowledge and information about the structure of the multinational companies, shifts in their decision-making centres, and the nature of the movement of capital and investment.*

*2. They need to know one another's experience with regard to the workers' living and working conditions, their*

programmes of struggle, and the forms of their struggles, so as to achieve constant international co-ordination of action taken within each country, and especially within each multinational group, so as to be able to work effectively for the interests of the workers.

3. They need to know the tactics used in different countries by the multinational companies to thwart trade union action.

In its programme of trade union action adopted in 1961 at the 6th World Trade Union Congress, the WFTU urged international action: *'The trade unions should oppose the international alliance of the monopolies more and more vigorously with their own international unity, without discrimination, and by co-ordinating their action ...'*

This battle which the workers of the world need to wage today requires the widest possible development of trade union unity and especially a search for new relations of co-operation among trade unions with different affiliations.

What chance do we have in this battle?

The struggles for the workers' demands in recent years, and the scale on which they have been conducted not only in France, Italy, the Federal German Republic, but also in the United States, show that the big capitalist companies can be made to retreat, whether the question at stake be that of wages and purchasing power, guaranteed jobs, shorter working hours, social security or the recognition of trade union rights.

The new and important feature of the recent period has been that the idea of solidarity among groups of workers in countries which contain branches of the same

multinational company is gaining ground day by day.

We can take as an example the experience of the Ford trade unions in Europe (a company which is registered, of course, in the United States).

The article by Sid Harraway, chairman of the Ford National Shop Stewards' Convenors' Committee in Britain, is revealing. The following is an extract:

'In October 1968 the Ford workers at Genk in Belgium took strike action in support of their claim for wages parity with Ford factories at Antwerp and Cologne, and received the support of the Ford workers in Cologne, who would not accept transferred work, and German technicians who often went to Genk refused to do so any longer. The British Ford workers also took solidarity action in support of their Genk brothers ..... During the Ford dispute in Britain (February-March 1969) solidarity messages were received and transferred work was not accepted by the European Ford workers.'

The same solidarity was shown in 1970, when the British Ford workers launched a campaign for parity of wages with the rest of the British automobile industry.

In December 1969 the Ford shop stewards held a conference in Ostend, with representatives present from Britain, Germany and Belgium. At this conference the Ford workers decided to strengthen unity among the workers at all Ford works in Europe. The struggle of the workers in the automobile industry has therefore become an international struggle.

The wish for solidarity and action is particularly emphasised by the five big metal workers' unions in Italy and France (FIOM-CGIL, FIM-CISL, UILM-UIL, FTM-

CGT and FGM-CFDT), who at their recent meeting early in 1971 adopted a document from which we take the following extracts:

"Faced with capitalist concentration in its present forms, particularly multinational companies, with the resulting intensification of exploitation and also with repressive manoeuvres by the employers, unity is becoming a need better understood and more greatly desired than in the past".

With regard to concrete co-operation among them the five unions decided to:

*'— demonstrate their mutual solidarity through practical action (refusal to work overtime, active support, consultation, etc.) whenever this is required as a result of a struggle by fellow workers in the other country, especially in the same group and sector; ... ..*

*...—set up 'trade union standing co-ordinating committees' with specific jobs to do in the steel, shipbuilding, automobile and house-hold electrical goods branches, and with regard to undertakings in the same group'.*

The document ends with a proposal which goes beyond the framework of the metal industries :

"The very international dimension of monopolies makes it necessary to seek operational links with workers in other continents and the developing countries : it therefore makes our struggle specifically anti-imperialist in character, in line with the nature, methods and aim which properly belong to a trade union organisation".

The European colloquium on aeronautics and the aerospace industry, organised by the FIOM in January 1971.

with trade union representatives taking part from Britain, France, Italy, the Netherland and the Federal German Republic, emphasised that 'production in multinational undertakings raises the problem of risks to the jobs of the workers, markets and the organisation of sales; but it also raises the problem of closer collaboration by the metal-workers' unions of Europe for the purposes of exchanging information and organising common action'.

A special statement of solidarity was adopted recently by the International Metalworkers' Conference (IMF). The representatives from 19 countries decided 'to contribute by every possible means to the success of the Ford workers' strike, and to give them, if they request it, financial help to enable them to pursue the struggle'.

Various developments can be seen taking place in the chemicals industry also: the establishment of a trade union co-ordinating committee in the Solvay group, the Franco-Italian meetings in the Michelin trust and the Saint Gobain establishments, the Anglo-French meeting of workers in Mobil Oil, the meeting of English and Italian trade unions in the Dunlop-Pirelli group, the meeting of trade union leaders from European Pirelli factories, and the international conference of paper workers at Hastings, in England.

These few examples show the growth of the workers' support for united trade union action internationally, now more necessary and sought after than ever.

The WFTU has for its part never neglected this problem and in the past it has conducted activities aimed at creating a common front of trade unions against the monopolies' alliance. We could quote as examples the anti-monopoly consultative meetings at Leipzig, the creation of a Trade Union Committee for Consultation against the

Monopolies in 1964, the convening of the international trade union conference for freedom of trade (Budapest 1966), and the many activities against the monopolies undertaken by the Trade Unions Internationals in their respective branches. All this shows that the WFTU, loyal to its principles of unity, pays special attention to organising a broad, anti-monopoly front of trade unions in the different industries. It is particularly within each separate industry that action and united struggles can be waged most concretely and effectively.

At the TUC Conference in October 1970, on the subject of the international monopolies several delegates called for international trade union co-operation so as to defeat the manoeuvres of the monopolies, who are trying to use the workers of one country against those of another.

Pierre Gensous, General Secretary of the WFTU, wrote on this subject in the *Morning Star* of November 5:

*"We share this point of view which is one of growing concern to our member organisations in the capitalist and developing countries.*

*"Naturally we particularly welcome the suggestion made at the conference that there is need for joint action with unions which are members of the World Federation of Trade Unions. There is no obstacle to such joint action on our part or that of our members.*

*'Today, international monopoly is a reality which we must face up to. The division of the international trade union movement is also a reality but one which does not correspond very well to the needs of the world's working class.*

*"It is undeniable that the present divisions reflect real ideological differences, but we, at the WFTU, have always maintained that this need be no obstacle to joint action on common problems."*

The WFTU and all its affiliated organisations will make every effort to make a reality of this aim which the workers are seeking to attain today: 'A united trade union front to achieve rapidly the objectives of the working class'.

# **APPENDICES**

## THE PACE OF INTEGRATION

UNITED STATES		FEDERAL GERMANY		FRANCE	
Years	No. of Mergers	Years	No. of Mergers	Years	No. of Mergers
1950-54	.. 1,424	1958	.. 15	1956	.. 893
1955-59	.. 3,365	1963	.. 29	1960	.. 1,088
1960-64	.. 4,366	1965	.. 50	1966	.. 1,959
1965-69	.. 14,453	1969	.. 168	1967	.. 1,752

(In the Federal German Republic the statistics refer only to the very largest undertakings)

In **Japan**, between 1951-69 there were 11,846 mergers of large undertakings. In **Britain** the average number of mergers in the period 1954-58 was 292 a year, but in 1969 the number was 794 mergers. In **Italy** between 1961 and 1967 there were 176 mergers of large-scale undertakings, the biggest of

which was that of Pirelli and and Dunlop.

Between 1962 and 1968, 3,078 concentration or international inter-penetration operations were registered in the Common Market area (980 in the metal and engineering industries, 592 in chemicals, 172 in food, and so on).

### IN THE NEXT 20 YEARS . . .

**200-300 of these giants will dominate production and trade, while owning three-quarters of the holdings of the world's industrial and finance companies.**

## THE DRIVE FOR DIVERSIFICATION

The search for diversification has today become the rule among the giants of American industry. A 'traditional' firm like the Radio Corporation of America (R.C.A.), for example, hires cars, publishes books and makes computers. Westinghouse produces nuclear reactors, builds factories to desalinate sea water, farms land and even sells bottles. The big oil firms are going into nuclear energy, chemicals and fertilisers. The industrialists of the information processing industry are extending the range of their products and activities. To finance their colossal investments they go looking for money where they can find it; they are absorbing banks, insurance companies or credit cards, sectors which will again be profoundly modified in the future by the information industry, just like air travel, container transport, publishing, education, medicine, architecture and building.

If we compare the thousand biggest American companies in 1950 with the thousand biggest in 1962, the trend towards diversification is obvious. The number of companies manufacturing only one kind of product fell, in fact, from 78 to 49, the number of those manufacturing 2-5 products fell from 354 to 223. The number manufacturing between 16 and 50 products, on the other hand, rose from 128 to 236, and the number of firms manufacturing more than 50 rose from 8 to 15. Two-thirds of the thousand biggest companies of 1960 also feature among the thousand biggest in 1962. The biggest of the thousand large companies are precisely the ones with the most marked trend towards diversification.

**SALES AND JOBS AT SEVEN AMERICAN COMPANIES LARGELY PRODUCING  
ELECTRICAL AND ELECTRONIC EQUIPMENT, 1965-68\***

Companies	Sales (in millions of dollars)		Jobs (in thousands)		Percentage trend 1965-1968	
	1965	1968	1965	1968	sales	jobs
General Electric ..	6,213	8,381	300.0	400.0	+ 35	+ 33
International Business Machines .. ..	3,572	6,888	172.4	242.0	+ 39	+ 40
Western Electric ..	3,362	4,031	168.8	177.0	+ 20	+ 5
Radio Corporation of America	2,042	3,106	100.0	125.0	+ 52	+ 25
Westinghouse Electric ..	2,389	3,296	115.1	138.0	+ 38	+ 20
International Telephone and Telegraph ..	1,782	4,066	199.9	293.0	+128	+ 47
General Telephone and Telegraph .. ..	2,035	2,927	121.9	161.0	+ 44	+ 32

\* ILO, 9th session of the Engineering Industries Commission, General Report.

**Some Facts about . . .**  
**THE GENERAL MOTOR CORPORATION**

—Turnover: 24,295 million dollars in 1969, 21,764 millions of it from the sale of automobile and related products.

—Profits: 1,710 million dollars in 1969.

—Sales: 7,159,526 private cars and other vehicles in 1969, 5,259,652 of them made in the USA and 501,134 in Canada.

—Makes of vehicle: Cadillac, Buick, Chevrolet, Oldsmobile, Pontiac, in the USA and Canada; Vauxhall in Britain, Opel in West Germany, and Holden in Australia.

—Employs: 794,000 people at the end of 1969, including 442,000 paid by the hour in the United States.

—350,000 workers belonging to this company conducted a substantial strike in the United States and won major successes.

**FIAT . . .**

The companies abroad are controlled by International Holding Fiat, SPA, the head office of which is in Lugano. Its overseas investments in 1969 amounted to 43 per cent of Fiat's investments.

Companies which it controls also have overseas investments, notably Magnetti Marelli, which has built a factory at Brousse in Turkey.

The Fiat-Citroen agreement has led to the establishment of a joint development company (Paredi), a company through which Fiat SPA and Michelin control Citroen.

## **AND MASSEY FERGUSON**

- 45,000 employees
- 43 factories in 14 countries
- Production sold in 182 of the world's 218 countries.
- Production rationalised (transmission produced in France, engines in Britain, transmission axles in Mexico, assembled with American coachwork in the United States — and the tractor is then sold in the West Indies.....).

## **DUPONT DE NEMOURS**

- The world's biggest chemicals firm. A third of its turnover, which was 3,455 million dollars in 1968, is accounted for by synthetic fibres.
- 12,000 products sold in more than a hundred countries.
- 90 factories in Europe, the USA and Canada, Latin America and Asia.
- In 1955 the firm moved towards Europe — Britain, Belgium, France, Italy, Luxembourg, Netherlands, Spain, Sweden and Switzerland.
- Dupont de Nemours International, with its laboratories at Geneva, sells to 78 countries in Europe, Africa, the Near and Middle East and Asia.
- 118,819 workers in 1969.

## **IN CHEMICALS**

American penetration in Western Europe is typified by the fact that 120 US firms have invested in more than 410 European undertakings in this sector. 250 of these 410 undertakings are controlled by joint American companies.

## TWO FOOD GIANTS

### NESTLE

The Nestle international trust, with 210 factories all over the world, 90,000 employees and a turnover of 11,000 million French francs, is based on Swiss and American capital. The offensive against Unilever has not prevented it from reaching agreement with the latter to merge the activities of the two firms in the field of deep-frozen products and ice-creams in Germany, Austria and Italy.

Nestle has associated with the Cie Internationale des Wagons-Lits for certain activities in the restaurant sector.

Factories: in Argentina, Australia, Belgium, Bolivia, Brazil, Chile, Colombia, Costa-Rica, Denmark, Federal Germany, France, Holland, Honduras, India, Italy, Ivory Coast, Jamaica, Japan, Kenya, Malaysia, Mexico, New Zealand, Norway, Panama, Peru, Philippines, Portugal, Puerto-Rica, Rhodesia, Singapore, Spain, South Africa, Sweden, Switzerland, Trinidad, Turkey, USA, Venezuela, West Indies.

### UNILEVER

- The biggest European firm in this field.
- Total of 385,000 employees all over the world.
- Turnover: over 30,000 million French francs.

The management of the group of companies selling Unilever food products has announced, in a letter to its employees, that it is proposing to cut the number of staff. Nearly 4,000 will be made redundant: 1,600 at Rotterdam and 2,400 in London.

## **WESTINGHOUSE'S WORLD STRATEGY**

The President of Westinghouse, Mr. Burnam, has pointed out that this trust is now heavily biased towards Europe. At the same time he is proposing taking control of five European electrical firms: Jeumont-Schneider in France, the Ateliers de Construction Electrique at Charleroi, in Belgium, Marelli and Tosi in Italy, and Cenemesa in Spain. The forms of the operation are interesting.

Under the 'multinational' facade the heads of Westinghouse are aiming to strengthen their world domination by controlling a large share of European electrical engineering.

### **INTERNATIONAL TRADE UNION INITIATIVE FOR THE SOLVAY GROUP**

An important initiative has been taken by the chemical workers' unions in Italy, France and Belgium for the Solvay industrial group.

The FILCEA (CGIL), the National Union of Chemical Industries (CGT) and the FGTB proposed that a meeting be called for June 4-5 of delegates from the workers in all the factories belonging to this industrial complex which covers various countries. This proposal, adopted at a meeting of Italian, French and Belgian trade union representatives at Livorno, was sent to all European trade unions.

This is a step which can help to open up fresh prospects of international cooperation. If the proposal for the Solvay group materialises it will show that a common trade union strategy can be worked out in the face of the growth of multinational companies.

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