

# Germany: workers respond angrily to deal at DaimlerChrysler

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A WSWS reporting team spoke recently with workers employed at the DaimlerChrysler plant in Sindelfingen in the southern German city of Stuttgart.

On July 23 the factory trade union committee and the engineering trade union IG Metall capitulated to management's harsh demands and agreed to cuts in labour costs of some 500 million euros (\$611 million) per year. The figure is exactly the amount demanded by management at the beginning of the dispute. The factory committee and IG Metall insist that the company has pledged to maintain job levels until the year 2012, although no one can explain how such a pledge could possibly be adhered to.

The final deal was preceded by an industrial dispute stretching over several weeks, with tens of thousands of workers participating in strike action and protests. For the trade unions, however, the noisy protests were never taken seriously and served merely as a backdrop to their predictable capitulation. The deal struck at DaimlerChrysler is unique in post-war German history. Never before has it been possible for a company management to impose such drastic cuts in such a short period of time.

DaimlerChrysler is no run-of-the-mill company, but one of the most powerful concerns operating today worldwide. It has a total workforce of 362,000 and an annual turnover of 136 billion euros (\$166.2 billion). Its Mercedes subsidiary alone notched up profits of 3.1 billion (\$3.8 billion) last year.

For a long period the IG Metall trade union used the company to set the pattern for its wages and benefit agreements. In line with German industrial practice particular states were selected by the trade unions for initial discussions, and the unions traditionally picked states characterised by high levels of trade union organisation—for example, the southern state of Baden-

Württemberg, where Mercedes had many of its major factories. A satisfactory wage agreement in Baden-Württemberg would then be used as a model for deals throughout Germany as a whole. Now in this case the reverse process is in operation. Numerous other major German companies—including Volkswagen and MAN—regard the latest cuts at DaimlerChrysler as a signal for concessions and cuts to be made at their own plants.

Not only were business circles and the media pleased with the outcome at DaimlerChrysler, political parties and the German government also greeted the deal with undisguised pleasure. German chancellor Gerhard Schröder described the result as a "victory for common sense," and the chairman of the conservative opposition party Christian Social Union Edmund Stoiber spoke of a "signal for the future of Germany as an industrial base."

The vast majority of workers spoken to by WSWS were very sober in their assessment of the deal. Workers generally rejected the content of the deal and expressed considerable anger over the role of the trade unions and factory committee. At the same time, most of them were aware that protest and pressure limited to the factory level were not sufficient to counter management blackmail.

Generally one could sum up the mood of workers as follows: "We know that we were blackmailed and that the factory committee and the trade union betrayed us. But what could we have done had DaimlerChrysler carried through with its threat to transfer production with the loss of 6,000 jobs?"

Gerd W., 61, who has worked at Daimler for 28 years, said:

"In my opinion everything had been worked out in advance by the trade union committee and the company

executive and then they just played out their roles. Following the conclusion of the deal there was a very subdued and oppressive mood in the factory.

“We can’t count on the pledge to protect jobs until 2012. We had an agreement reached last autumn which set out wages and conditions for the next two years, and now you can just toss it in the garbage bin. Why all of a sudden should there be secure jobs for a period of eight years, although everybody knows that the economy is shaky? Nobody believes in such a pledge!

“Where will it lead when wages are continuously being reduced? What type of society will it be when all the money is in the hands of the banks and a small minority possess the entire wealth while workers have less and less in their pockets?”

In his discussion with the WSWS a young apprentice, Markus, referred to the high level of profits made by Mercedes last year. On that basis he was not prepared to accept further cuts on the part of the workforce.

“Up till now they have not even told us where the cuts are to be made in order to save the 500 million euros. This is without doubt just the start. Now they’ll demand more cuts year by year, management and shareholders will be seeking more and more.”

Stefan K., 23 years old, said:

“The trade union could have at least asked workers if they agreed with the outcome. Maybe we could not have prevented everything, but we could have struck for a better result. Most of the workers are not happy with the deal, and as for the pledge to keep jobs—I don’t think it’s worth the paper it’s written on. When they want to toss people out, they will just go ahead and do it.”

Marcel, 20 years old, and in the third year of his apprenticeship, said of the agreement:

“Everything had been worked out from the start. Most workers were prepared to strike against the deal but that was not part of the plan. Now apprentices such as me will be assembled in a so-called pool after finishing our training. Then we can just be shifted at will from plant to plant.”

Ali B. (46 years) has worked at Daimler for 25 years. He told the WSWS reporters:

“They would prefer to employ just robots, not humans who have social rights. I’ve got no confidence in the jobs guarantee over the next few years; the world economy is taking a turn for the worse and jobs are

being lost all over and workers’ living standards are threatened.”



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