Germany: Union and works council announce final shutdown of Nokia factory

Dietmar Henning 21 February 2008

"We can no longer save the location." These were the words used by Ulrike Kleinebrahm, head of the trade union IG Metall local, at a rally on Tuesday to announce the final closure of the Nokia factory in Bochum. Shortly before the rally, the Bochum works council and union representatives had met briefly with the Nokia executive committee in the company's head office in the Finnish city of Espoo.

The Bochum delegation, led by works council chair Gisela Achenbach, had previously assured the 2,300 Nokia employees in Bochum that the union wanted to ensure that the factory, which produces mobile phones, stays in Germany's Ruhr area.

But the meeting in Espoo was merely a smokescreen, with *Spiegel Online* referring to an "illusory meeting." The closure of the works in Bochum had been settled. The new Nokia factory, near the city of Cluj in Romania, had already prepared to go into production a few days previously. Over the course of the next 12 months, up to 3,500 workers are due to be hired at the new plant to produce mobile phones for Europe, the Middle East and Africa. The average wage of the Nokia workers in Romania is around €220 per month (gross).

In addition, it turned out that the concept drawn up by the work councils for maintaining the factory in Bochum was already outdated and had been presented to management last year. The works council had calculated that on the basis of a €14.3 million investment and a doubling of production based on the same staff levels, the factory in Germany could produce as cheaply as workers in the east European country of Hungary.

According to Kleinebrahm, the Nokia executive committee did not even bother looking at the union plan: "The managers did not want to see our alternative." For Nokia, it was clear the only issue was *how* to implement the closure.

The work councils were also aware that this was the only priority and did not even bother to express the indignation that has ritually accompanied the closure of other factories in Germany. Instead, the union representatives were able to quickly arrive at a joint statement with management, which began: "Constructive discussions were carried out over the future of the Nokia location in Bochum"—i.e., the closure of the factory! "Both sides agreed to begin negotiations on February 20, 2008."

Regarding the plan put forward by the union, the statement then added casually: "The management of Nokia must unfortunately evaluate these alternative suggestions as unworkable. The necessary efficiency was not reached and it did not support Nokia's total strategy."

The content of these negotiations over the closing down of the factory—to be held just eight days before the Nokia board officially inaugurates the closure—is supposed to centre on replacement work for the 2,300 Nokia employees. The statement makes no mention of the more than 2,000 ancillary jobs (agency workers and suppliers) that will also be lost. Both Nokia and the works council evidently feel they have no responsibility for these workers.

The statement continues by declaring that the works council and Nokia had "set themselves the common goal of finding innovative solutions for the future of the Nokia employees in Bochum." A priority is to find jobs for the Nokia employees in Bochum with companies that both are "trustworthy" and "follow long-term business plans."

The trip by IG Metall representatives and the Bochum works council to Espoo only serves to indicate to any impartial observer that the works council, trade union and Nokia management were involved in a plan that had been drawn up long before to ensure that pre-Christmas work schedules could be adhered to prior to closure. All the talk of "innovative solutions," "constructive cooperation" and "trustworthy" enterprises is nonsense.

For decades, the Ruhr area has a reputation for the type of close cooperation between the IG Metall, works councils, management and national politicians aimed at destroying thousands of jobs. Many workers still remember the closure of the steel plant in Duisburg Rhinehausen implemented 20 years ago in the face of bitter resistance by the more than 5,000 workers employed in the plant, who in turn mobilised the population of the entire region.

There then followed the closure of one works after another in the region. In each instance, the union and works council submitted "alternative concepts," promised alternative jobs, negotiated social plans and created occupational agencies that turned out to be nothing other than the road to unemployment. At no point was the trade union prepared to organise the labour disputes on the basis of uniting workers at different locations. Instead, they always saw their main role as advising management on how the destruction of jobs could best be carried out on a "socially compatible" basis, within the realm of the German system of "social partnership."

This was precisely what happened recently during the closure of the BenQ works in Kamp Lintfort. After a series of unsuccessful protests, demonstrations, solidarity actions and repeated offers of cooperation, the BenQ works council then agreed to the setting up of a so-called holding company to find replacement jobs. One year later, more than half of the workers who had agreed to switch to the holding company found themselves unemployed.

Now, the Nokia works council is trying to set up a similar scheme. An additional concern for the works council, however, is the fact that some of the Nokia employees in Bochum are former BenQ workers and are therefore fully aware and sceptical of the proposal for a new holding company.

Proposals for such a holding company were put forward by works council member Wolfgang Siebert in the course of his report on the result of the meeting in Finland.

"Nokia has agreed that every Nokia employee find a job," Siebert declared, while also asserting that the works council was keen to avoid any repetition of the experience with BenQ. At the same time, Siebert made clear that the works council was adamantly opposed to conducting any fight to save the existing jobs.

When asked by a WSWS reporter if the union had any intention of carrying out a campaign to defend jobs, Siebert rejected any form of strike action. "We have discussed a great deal with the workforce today and the word 'strike' did not crop up," he said. That would be counterproductive. "We would only harm ourselves," he added. He then called out to those employees surrounding him: "Do you want to strike?" and without giving anybody time to respond, answered his own question with a loud "No." He then turned to the WSWS reporter stating: "See what I mean!"

In the case of strike action, Siebert declared, production would be distributed to other European works within the space of a few hours. When confronted with the demand to call upon workers in other countries for support, Siebert answered that such a proposal was unrealistic based on the lack of support from the respective national trade unions.

It is indeed the case that any common struggle by workers in different countries and at different locations is impossible based on the perspective of the trade unions. The initial reaction of Finnish unions was to support the closure of the Bochum works, while the Romanian trade union Cartel Alfa expressed its pleasure at the setting up of the new Nokia factory. The *Frankfurter Rundschau* writes of the local Romanian trade union leader, Grigore Pop: "Solidarity appeals by the Germans leave him cold."

Only a week earlier, works council leader Siebert had used a different tone and threatened the company with strikes, telling the *Frankfurter Rundschau*: "As soon as a final decision is made, then the period of calm is over." If the decision were made to close the factory, Siebert maintained, then a strike was possible. "I can hardly imagine we will be screwing mobile phones together after the closure is announced."

Female workers reported, however, that from the very start the works council had advised them to "keep calm!" Prior to the meeting in Espoo, the works council told workers that they should refrain from strike action to prove that the employees in Bochum were "a reliable workforce." Then, after the meeting, workers were told that strikes made no sense because nothing could stop the closure, anyway.

In discussion with the WSWS, one Nokia worker, Feride Poyraz, declared that all the promises of alternative jobs made by the trade union were aimed at reducing the level of compensatory payments made by the company to sacked workers. Such a holding company was no alternative: "After one or two years, one finds oneself unemployed anyway."

The same worker also doubted the assertions by the works council that it was not aware of what management was planning: "I find that difficult to believe." The trade unions have more obligations to management than to the workforce. "Now they come here and express their solidarity, but what were they doing previously?" Feride asked.

Most of the Nokia workers are pessimistic with regard to the future. "For Nokia, the closure is a done deal," said Tanja Knoepke, who has worked for the company for 13 years. Tanja was furious at the treatment of the workforce: "At least they could have given us proper notice. They already knew the factory was threatened in 2006, when the subsidies ran out. And then, when the plant in Romania opened up, the writing was on the wall. But they said nothing. Now I am just one of 2,000 looking for a new job."



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