

# German trade unions, management work to break up Manroland

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The bankruptcy of the German printing press manufacturer Manroland is part of a comprehensive attack on workers' jobs, rights and social gains throughout Europe and internationally.

The Manroland sites in Augsburg, Offenbach and Plauen are to be broken up and their most lucrative parts sold off separately. The so-called "legacy" costs, especially worker benefits, are to be disposed of as quickly as possible. The insolvency of the second largest printing press manufacturer in the world places 6,500 jobs at stake.

The Manroland bankruptcy is accompanied by a wave of other mass layoffs in Germany: 11,000 jobs at energy producers Eon; 17,000 at Nokia; and 8,000 at RWE. Layoffs are scheduled at Postbank, Ferro Steel and other companies.

The potential buyers and sales partners of Manroland—including Océ, which belongs to the Japanese Canon Group; the Chinese conglomerate Shanghai Electric; Heideldruck; and especially the Swiss press manufacturer Wifag—are mainly interested in Manroland's patents and modern expertise, but not the jobs and obligations that go with them.

This situation, along with explosive class tensions building up in Germany, explains the tense atmosphere at factory meetings held last Tuesday at Manroland. The workforce did not get any answers to questions posed at meetings held in Augsburg, Offenbach and Plauen,

Representatives of the company board, the liquidator, the works council and IG Metall union spoke at all the meetings. But all they offered were platitudes, refusing to say anything concrete. As is the case with the bankruptcy itself, all the negotiations are being kept secret until the very end. The workforce, whose future and existence are at stake, are to be confronted with a *fait accompli*. Meanwhile, the appeals being made to politicians and the banks indicate that massive job losses and drastic attacks on benefits are imminent.

In Augsburg, a company administrator said that Manroland would continue to exist after the first of February 2012, but "in some other form and not on the same scale as today". Individual solutions for each site were possible, he said.

In Offenbach, Chief Financial Officer Ingo Koch claimed that, contrary to the fears that had triggered the bankruptcy two weeks ago, "things were only half as bad" today. The company would continue to exist, he said, but failed to elaborate.

On the website of the company, Koch posted a statement in which he praised the sale of Manroland to Allianz Capital Partners in 2007. Koch declared that for private equity investors such as Allianz, the aim is to achieve "returns of twenty percent or more per year", which he described as a "perfectly legitimate return".

The bankruptcy administrators have brought in the Lazard investment bank, an American company, to try to find a buyer. Lazard specialises in acquisitions and was involved recently in consulting the Greek government on its debt problems.

The *EU Chronicle* noted that one hears "very little about those who are profiting from these debts [in Greece]. It is a known fact that Deutsche Bank AG, Goldman Sachs, NathanMeyer Rothschild, HSBC, Lazard Freres SAS and others have raked in billions by speculating on Greek bonds and credit default swaps, and that they have since worked as 'consultants' to the Greek government, able to pick out the cherries that will be privatised according to the will of the EU Troika."

Such is the character of the investment bank that is now deciding the fate of Manroland.

## IG Metall and the works council

The staff meetings were addressed by representatives of IG Metall and the works council. They said nothing to oppose to the statements of the management and bankruptcy administrators, but simply repeated platitudes such as "Hope dies last," and, "He who fights may lose, he who does not fight has already lost".

The chair of the works council at the Manroland plant in Offenbach, Alexandra Rossel, had no concrete information for the workforce, but appealed to Manroland and the Allianz to “take the money.” Rossel tried to appease the workers’ discontent by holding out the prospect of a joint protest in Munich by all plants. This is just a diversion. The works council and the trade union are in cahoots with management to negotiate the break-up of the company.

The union protests serve solely to provide a cover for the fact that the big jobs sell-off has already begun. Why should Manroland and Allianz “take the money”, only to fund hive-off vehicles for the “excess” workforce and various compensation schemes for those laid off?

For the unions, the principled and joint defence of all jobs in all production locations is simply not a question, since such a struggle must recognise that the right to work is a fundamental right that stands higher than the profit interests of the banks and employers. Rather, union officials sit on the company boards and function as co-managers. They see their main task as ensuring that the results of negotiations by the employers and banks are realised without disruption from the workforce.

In an April 2010 interview with the *Frankfurter Rundschau*, the works council chair at Manroland Offenbach, Alexandra Rossel, candidly admitted that the works council “does not prevent lay-offs or reduced working hours.... These are economic decisions made by the company.... When we started, we did not think that we would be forced to undermine contract agreements.”

Two years ago, in Offenbach, the works council and IG Metall agreed to a €10 million austerity package at the expense of Manroland employees. At the time, they claimed that in return there would be no compulsory redundancies.

Rossel also openly admitted why the works council organised protests in the first place. “It is important for the workforce to let off steam,” she said. “And then we can say in the negotiations, the works council representatives are not alone.”

If the trade union representatives in the factory organise any protest actions at all, it is just a tactical accompaniment to their collaboration with management. It has nothing to do with any genuine struggle to defend the needs of the workers.

## Workers speak out

noticeably increased. This was clear from many discussions with workers at the factory.

Several workers told the *World Socialist Web Site* that they had been making financial sacrifices for many years. “We have already accepted too much,” said one worker at the main gate. “We were persuaded to forgo our Christmas bonus and holiday pay, supposedly to save jobs. We’ve already lost thousands of euros. Today, almost every one of us is in debt.”

Others had been affected by the closure of Manroland plants in Mainhausen and Geisenheim. They said that the situation today reminded them of earlier plant closures. “This is just like it started in Mainhausen too,” said one worker. “What you say is all true, unfortunately, only it’s much worse. IG Metall has persuaded us again to accept everything. We should have gone on strike when the 35-hour week was abandoned.”

A colleague reported that in the summer, when many Manroland workers were put on short time working in some places, Saturday working was introduced. “The employers and trade unions do everything to mutually feather their nests. They have known each other for so long, they call each other by their first names. First and foremost, the works council representatives want to save their own cosy positions.”

The workers recognised that they are being called upon to pay the bill for the bankruptcy. After the staff meeting, a number said that several hundred workers would probably lose their jobs at each factory.

One worker with 31 years’ seniority said he expected that “30 to 40 percent of the workforce would have to go. They’ve more or less told us that there are just too many of us.” He thought it was bad that it was always the “blue collar workers that pay the bill”. “We are all professionals who know our craft, and have created everything here. Under the greatest stress, we have built up the plant and machinery with our own hands.”

“For the workers, it’s a matter of existence,” he said. “This is about people, families and children. We should have taken up the fight much earlier. At some point you have to say, ‘enough is enough’. We must defend our jobs and take a stand.”



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