

Germany: Lessons for workers from the defeat at Manroland

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The world's third largest printing press manufacturer Manroland has been destroyed in just two months.

After filing for bankruptcy in late November, everything went like clockwork. The employees were taken by surprise, systematically deceived and deprived of their rights. Almost half were dismissed, and the profitable parts of the company rationalized and sold off. More than 2,000 of those dismissed were placed in so-called transfer companies, which for many will just lead directly to the unemployment and the welfare lines. The remaining workforce in Offenbach, Augsburg and Plauen has had to accept worsened working conditions and lower wages.

The destruction of Manroland should be studied carefully—it contains important lessons for workers at other companies.

IG Metall, Germany's largest trade union, played a key role from the beginning, preparing and enforcing the "turbo-bankruptcy" and massive job cuts, and preventing any serious opposition developing.

Over the previous number of years, IG Metall functionaries signed one deal after another agreeing to the gradual abolition of holiday and Christmas bonuses. They justified social devastation with the same old claims—this was the only way to save jobs and remain internationally competitive. That is a lie.

At Manroland, IG Metall and its representatives at the factory level were involved at an early stage. The bankruptcy was prepared at a board of directors meeting on November 15 last year. The six trade union representatives who sit on the board all signed on. The works council chairs at each of the three sites, Jürgen Bansch (Augsburg), Alexandra Röbel (Offenbach) and Udo Meier (Plauen), along with Offenbach IG Metall secretary Peter Wich, knew of the company's plans, while feigning ignorance before the workforce.

And so began an elaborate plot that Manroland chief executive Gerd Finkbeiner, together with the insolvency administrator Werner Schneider and the supervisory board deputy chair Jürgen Kerner, had prepared. Kerner has sat on the executive board of IG Metall since last autumn and had previously been long-time IG Metall chief in Augsburg. All three knew each other well and had

close contact with Uwe Lüders, head of the Lübeck company Possehl & Co. In the summer of 2010, they jointly handled the bankruptcy of Böwe Systec, a mail systems manufacturer in Augsburg, which was eventually sold off to Possehl.

On January 24, the *Frankfurter Allgemeine Zeitung* described the effort expended by those involved in pulling off the same scam at Manroland. Originally it was not Augsburg, but Offenbach that was to be the court location for the bankruptcy proceedings, "because Manroland is headquartered here". But the Manroland management, which resides in Augsburg, had urged that the bankruptcy filing be made in Bavaria.

"And that was still not enough", continued the newspaper. "Moreover, the local bankruptcy judge apparently had a gun put to his head. Only if the law firm of Werner Schneider came on board was the management willing to take responsibility for initiating bankruptcy. Such was the demand".

Then everything at Manroland proceeded as at Böwe Systec. IG Metall warned of the destruction of the company by the American private equity firm Platinum Equity, which wanted to take over all three plants. But the union categorically refused to organize any collective action to defend jobs, because it had already negotiated the takeover of the Augsburg plant behind the scenes with Possehl, agreeing a restructuring contract long before the creditors' committee officially decided in favour of the Lübeck company.

According to the *Frankfurter Allgemeine Zeitung*, the liquidator Schneider made contact with Lübeck just two days after the filing. "And, Possehl then quickly turned to IG Metall." That led to "intensive discussions between Possehl and IG Metall before the creditors' committee had taken its decision on the splitting up of the group in the middle of last week". This was, at the least, an "unusual chain of events", says the paper.

When the creditors committee then met on January 18, the decision in favour of Possehl was unanimous, according to liquidator Schneider. This means that the union representatives voted in the creditors committee for the destruction of Manroland and for massive job losses.

The sellout by IG Metall and the works council representatives

has outraged many workers. Rarely before has the union so shamelessly sided with the employers against their own members and the workforce. But Manroland is not an isolated case. The transformation of the unions into co-managers, who in close collaboration with big business and government act against their own members, is a global phenomenon.

Jürgen Kerner, involved in all major decisions regarding Manroland, is a typical specimen of these union officials who act as managers and are paid accordingly. He joined IG Metall as an apprentice at Siemens in Augsburg and rose rapidly to become a full-time works council representative. After ten years, he was a full-time IG Metall official. As senior IG Metall representative in Augsburg, he entered into a close alliance with local employers. Since his promotion to the executive board of IG Metall at its headquarters in Frankfurt, he has earned a five-digit monthly salary. In addition, he sits on six supervisory boards, four of them as deputy chair, for which he pockets generous allowances.

The transformation of the unions is not just a result of the corruption of individual officials. The entire trade union perspective, which accepts capitalist property and power relations unreservedly and seeks compromise with the employers, is bankrupt.

In the post-war period, when the economy expanded rapidly, the unions were able to achieve social improvements or wage increases using the methods of social partnership—although even then they vehemently defended capitalism. Today, under the conditions of globalization, this is no longer possible. Corporations operating worldwide use the low wages in one country to push down wages elsewhere. They exploit the international economic crisis to smash up social rights and working conditions.

The unions have responded by identifying themselves completely with “their” company and the economy of “their” country. They ensure that “their” company and the “German economy” remain competitive by negotiating and pushing through wage reductions, layoffs and cuts in social services. Their bureaucratic apparatus and their works council representatives and shop stewards in the factories suppress any independent movement of workers to defend their rights. It is no coincidence that Peter Hartz, who created the conditions for a huge low-wage sector in Germany, is an IG Metall member.

Globalization and the economic crisis do not mean that industrial action can no longer achieve anything. On the contrary, a factory occupation to defend jobs at Manroland would have found strong support within and outside Germany.

In the same week in which Manroland filed for bankruptcy, the largest German energy company, Eon, announced the elimination of 11,000 of its 80,000 jobs worldwide, including 6,500 in Germany. Nokia Siemens Networks, one of the largest telephone network suppliers in the world, is destroying 17,000 jobs worldwide, including 3,000 in Germany. The computer giant IBM

plans to sack 8,000 of its 20,000 employees in Germany and replace them with flexible outside labour.

In Greece, the representatives of the international banks insist that incomes be slashed by at least twenty percent, ruining the working population. The driving force behind this brutal austerity programme is the German government and Chancellor Angela Merkel.

Under these circumstances, a struggle to defend jobs at Manroland would have sent a signal far and wide. But such a struggle cannot be conducted on the bankrupt, nationally oriented perspective of the unions. It requires an international perspective, aimed at mobilising the entire strength of the global working class against the dictatorship of finance capital over economic and social life. It requires a socialist programme with the goal of transferring the corporations and banks to public ownership and placing them under democratic control.

To lead such a struggle, workers must break with the unions and establish committees of action to undertake the defence of jobs, and at the same time organize support from workers in Germany and Europe.

Above all, a new party must be established. It is significant that during the destruction of Manroland, it was only the Socialist Equality Party and the *World Socialist Web Site* that consistently opposed the machinations of the company and IG Metall. All the self-proclaimed “left”, “socialist” or Maoist tendencies inside the union, the works council and the shop stewards body kept their mouths shut and backed IG Metall.

One worker with 27 years seniority at the factory in Offenbach recognized this in a letter to the *Offenbach-Post*: “If you are interested in taking a closer look at our betrayal you should see the *World Socialist Web Site* and read the report of how they have sold us out in advance,” he wrote.

As the German section of the Fourth International, the Socialist Equality Party fights for the international unity of the working class on the basis of a socialist programme. Now is the time to build the SEP! Anyone who wishes to participate should contact the WSWS editorial board.



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