Exploitation and ruthless working conditions in the German meat industry

Clara Weiss, Philipp Frisch 12 July 2013

In an interview with the *WirtschaftsBlatt* daily financial newspaper at the end of last year, German Chancellor Angela Merkel was unusually open in her comments about the policy objectives of Europe's ruling elite. In order to secure "competitiveness", she declared war on the European "welfare states" and clearly identified the economies to which Europe must orient itself. The new standards for wages and working conditions would be set by India and China. (See: "The German chancellor's Christmas message", 21 December 2012)

An ARD television documentary about exploitative working conditions in the meat industry recently revealed the extent to which the federal government has already gone to promote "Chinese conditions" in order to meet the insatiable demands of banks and large corporations. News of the conditions in the meat industry follow hard upon other scandals such as the exploitation and rigorous surveillance of foreign temporary workers at Amazon, and the demolishing of collective agreements at Mercedes via the proliferation of temporary work contracts.

The ARD's revelations about the human trafficking and atrocious working conditions in the meat industry show that criminal conditions prevail in this sector of the economy. The researches of journalists Michael Nieberg and Marius Meier focused on Wiesenhof, Germany's largest poultry processor. They reported on the accommodations, such as former army barracks behind barbed wire, campsites and converted stables, where workers are crammed together. Up to 18 people were housed in one semi-detached dwelling.

Eastern European workers—remaining anonymous in the documentary for fear of violent repercussions—testified that their hourly wages were from \leq 4 to \leq 5.50 gross. According to statements from trade unions, hourly wages of \leq 1.90 and \leq 3 for the exhausting physical work are also not uncommon.

A former Wiesenhof female employee, who in 2009

worked on a conveyor belt in Lohne, Lower Saxony, showed the journalists her pay slips. After deductions for the payment of rent and a fine for leaving a window open, her monthly wage amounted to less than €500. When she became ill, the company continued to harass her, until she was finally forced to resign.

Another female worker, who wanted to protest against the conditions, reported that she and her family had been threatened with death if they sought help or revealed their plight to the public.

Before they come to work in Germany, workers from Eastern Europe are promised the moon. They are either given no information, or else fed lies about the exact content of their contracts. During their time in Germany, many workers are unaware of what is actually in their contracts. Once they are there, they have no other choice than to accept the catastrophic living and working conditions, because they are subject to the pressure of both their financial impoverishment and rapacious employers.

The situation described in the documentary is reminiscent of the exploitation of workers in the US meatpacking industry at the beginning of the twentieth century, exposed by Upton Sinclair in his novel, *The Jungle* .

This brutal exploitation of workers is buttressed by covert criminal structures. Work contracts are brokered via a network of Eastern European subcontracting firms, usually consisting of little more than mailboxes. The workers are nominally employed by the Eastern European firms and earn the usual pittance in their home countries. There is no entitlement to any social security, employment protection or holiday pay. They are then illicitly employed in Germany by Wiesenhof or smaller meat companies, or work for subcontractors.

In late June, the Düsseldorf public prosecutor conducted a raid on 22 likely indictable businesses in a total of 90

locations. Among these were the companies involved in the ARD team's researches. Investigations by customs and tax officials and the police uncovered an illegal network of businesses, extending over the whole of the European Union (EU) and consisting of more than two dozen companies and sub-contracting firms, as well as twelve slaughterhouses.

Crime in the industry is systemic. In late 2010, a Düsseldorf regional court judge had to admit: "The scale and blatancy of the illegal activities are frightening. The industry seems to be permeated by these criminal enterprises."

In recent years, illegal corporate networks in the meat industry and the systematic employment of temporary and illegal workers from Eastern Europe have been uncovered again and again. According to trade unions, these developments have led to the destruction of a fifth of all the industry's jobs that are subject to social insurance contributions. A total of approximately 30,000 people work in the meat industry.

These conditions reveal once more the essentially antiworker character of the EU's eastward expansion.

The reintroduction of capitalist exploitation following the collapse of the Soviet Union was accompanied by the destruction of the social infrastructure, massive wage cuts and deteriorating working conditions in Eastern Europe. In 2004 and 2007, EU eastern expansion further aggravated the social crisis in the new member states.

The EU's austerity mandates have made Bulgaria and Romania the poorhouses of Europe. In December 2011, Romania's average net wage was just over €350. In Bulgaria, the poorest country in Europe, a fifth of the population lives under the poverty line on an income of €110 a month. Every third person has to exist on less than €260 a month.

Western European companies take advantage of these starvation wages, on the one hand, to increase exploitation of the workers in Eastern Europe, and on the other, to slash wages and launch anti-social attacks on workers in Western Europe.

The German economy in particular has benefited from the social devastation and conditions of intense exploitation in Eastern Europe. The meat industry is just one particularly stark example. By utilising virtual slave labour, German meat companies can offer products at prices against which businesses in other EU countries are scarcely able to compete.

The trade unions have known about the criminal machinations and exploitative conditions in the meat

industry for years, and have concealed their operations. In an interview on *Deutschlandfunk* radio on June 25, Franz-Josef Möllenberg, head of the relevant Food and Catering (NGG) trade union, admitted he knew the names of the bosses in the "semi-legal, illegal mafia structures", as he himself calls them.

In the same breath, Möllenberg refused to give any further information to the public. He said he had no desire to "set up a pillory" for anyone, but was willing to discuss things with Labour Minister Ursula von der Leyen—behind closed doors, of course. These issues would have to be settled in talks between businessmen and politicians.

The NGG boss openly admitted that the union had never made any effort to organise the workers from Romania ("Unfortunately, I must confess I don't speak Romanian"), and had no intention of doing so.

When asked about the union's solidarity with the foreign workers, he replied: "We have that, too," but could not name a single genuine example of it. This attitude exposes the unions' loud and indignant protests of recent years as cynical hypocrisy. In truth, they are covering for the systematic introduction of working conditions like those in China and blocking any combative retaliation from angry workers, regardless of nationality or origin.

The policies of the trade unions are diametrically opposed to the interests of the workers. The unions generally accepted the restructuring of the labour market and establishment of a low-wage sector, initiated by the former Social Democratic-Green government. Moreover, they supported the EU's eastward expansion in order to defend the interests of the German bourgeoisie against the working class and international capitalist competition. By trumpeting their nationalist politics and rhetoric, they try to divide the working class in order to stifle an effective struggle against the attacks of the bourgeoisie.



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