

Germany: The reactionary politics of IG Metall and the works council at Siemens

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The IG Metall trade union has responded to massive job cuts at Siemens with the call to strengthen Germany as an investment location. This means nothing other than increasing the company's competitiveness at the expense of the workforce, and establishing better conditions of exploitation for Siemens.

Siemens chief executive Joe Kaeser announced the elimination of 4,500 jobs in the energy sector last month, 2,200 of them in Germany. Only three months previously the company unveiled 7,800 global job cuts, mainly in administration, including 3,300 in Germany. With the loss of 1,200 positions in electricity production already announced last October at the Power & Gas company, total job cuts over the past year amount to 13,500.

IG Metall responded by calling a nationwide day of action of Siemens employees on Tuesday. Protest actions were planned at all Siemens locations in Germany. Regional actions, including demonstrations and rallies, took place in Duisburg, Berlin and Nuremberg, all cities with large plants in the energy division.

Although thousands of jobs in other countries are affected by the same programme of layoffs, IG Metall—the largest single trade union in the world and traditionally holder of the chairmanship of the European and international metalworkers union—is appealing only to workers in Germany.

Their slogan “Strengthen location G” is reactionary through and through. The first aim of this nationalist slogan is to divide workers at the globally active corporation and play them off against each other. They want at all costs to avoid a unified international struggle by all employees against the countless cost-cutting programmes and layoffs.

Jürgen Kerner, a leading member of IG Metall's

executive who also sits on the Siemens board, claimed it was not necessary to outsource production to cheap labour locations. IG Metall's statement declares: “Shifting production to supposedly cheaper locations or cutting it entirely is not a concept oriented to the future.” Instead, Kerner suggests improving conditions for profitability in Germany. He said, “We want to retain the rate of value creation from location Germany.”

Nothing could be clearer. To improve value creation by “location Germany”, IG Metall intends to ensure that the company can have access to the best conditions for exploitation in the large plants. How will location Germany be strengthened? By making it more competitive than other Siemens locations and those of its international competitors.

However, production in Germany can only be more competitive when profit margins are higher than elsewhere. The strengthening of “location G,” as IG Metall has placed on its banner, is not only predicated on the imposition of the job cuts, but the enforcement of speed-up and wage cuts as well.

IG Metall and its works councillors are offering their services to Siemens management as co-managers with their day of action, firstly by dissipating the anger of the workforce, and secondly by implementing the planned attacks. This is the significance and purpose of the day of action.

As a June 3 article on *Siemens Dialog* on the day of action states, “The recent announcement of the elimination of a further 2,200 jobs in Germany in early May almost produced an explosion among Siemens employees, after the previous series of announced job cuts had already triggered unrest.”

The trade union and works council are continuing to pursue the same course they have over recent years.

They have signed off on every wave of job cuts over the years. While less than a decade ago 475,000 people worked at Siemens around the globe, now it is only 342,000.

The announcement in stages of a growing number of job cuts appears to have been worked out closely between the union, works council and company management. It is part of the “Transformation Programme PG2020”, the results of which are constantly being discussed by the union and works council with Janine Kügel, head of human resources, as well as Siemens’ business committee and a close adviser to Kaeser.

The restructuring, cuts and layoffs are continuing and will be intensified. Siemens management intends to save billions at the expense of the workforce so as to make the company more profitable for shareholders.

The plant in Mülheim, in the west of the Ruhr region, is particularly affected by the latest layoffs in the energy division. Steam turbines and generators are produced there. Of the current 4,800 jobs, 950 are to be cut. But jobs in the neighbouring cities of Essen and Duisburg, and in many other regions, will also be impacted by the cuts and layoffs. In a gas turbine plant in Berlin, 800 of the 3,800 jobs will be cut, as well as hundreds more in the Nuremberg/Erlangen region.

IG Metall and works council representatives are paid handsomely for their collaboration in the destruction of jobs, which will ultimately produce a dramatic worsening of conditions for those workers who remain. Last year, the so-called employee representatives on the Siemens board received total compensation of €1.8 million, according to company figures. Works council chairwoman and deputy chairwoman of the board, Birgit Steinborn, alone receives over half a million euros annually.

However, the reason for the transformation of the unions and works councils into tools of management is not only the widespread corruption of their officials. The degeneration of the trade unions is an international phenomenon and has deep objective roots in the world economy. The globalisation of production has undermined the basis for all social and labour market policies based on the nation state.

While the trade unions in the past could apply pressure to companies to at least secure temporary improvements for workers, today the exact opposite is

true. The trade unions and works councils assume the task of implementing the attacks on the workers under the slogan of strengthening their location, securing competitiveness and maintaining the “chain of value creation.”

New forms of factory and political organisation are required. The representatives of IG Metall and the works council must be viewed for what they are: partners of company management and opponents of the workers. Workers who want to fight to retain their jobs and working conditions must adopt an internationalist and socialist programme. We call upon all workers to contact the *World Socialist Web Site* and the German Socialist Equality Party (Partei für Soziale Gleichheit).



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