

Defend jobs in the steel industry!

For international workers' unity, not national unity with the corporations!

The Socialist Equality Party (Britain), Partei für Soziale Gleichheit (Germany)
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Workers throughout Europe must reject the effort by the trade unions to line them up behind the steel corporations and take up a unified struggle in defence of jobs with their class brothers and sisters internationally.

On February 15, Brussels witnessed a repulsive spectacle: steel unions and employers' associations from 17 European countries assembled at the seat of the European Union Commission and demanded trade war measures against China. Since then, this spectacle has been repeated on the national level.

In Britain, where the withdrawal of Tata Steel is endangering 40,000 jobs in the steel and supplier industries, the unions and the Labour Party are calling for protectionist measures and tax subsidies to strengthen corporations investing in the UK against their international rivals. At the same time, the unions and government are negotiating social concessions that will decimate jobs and wages, as well as the pensions of 130,000 former and current steelworkers.

In Germany, the IG Metall union has called several rallies for April 11 at which high-ranking union functionaries, leaders of works councils, government members and steel bosses will speak. As in Brussels, demands for punitive measures against China, tax breaks and the relaxing of environmental protections are the central focus.

While European employers and unions are united in their attacks on China, a fierce battle is raging within Europe between individual steel sites. Negotiations are underway on a merger of ThyssenKrupp's and Tata Steel's European operations to challenge market leader Arcelor Mittal. Alternatively, the two large German steel manufacturers, ThyssenKrupp and Salzgitter, could merge into a German steel giant.

In either case, mass layoffs and factory closings will be the inevitable consequence. The unions—as with previous mergers—will pit workers at the different plants against one another, launching a race to the bottom over wages and working conditions.

The nationalistic closing of ranks of the unions with the steel corporations is reactionary in every respect:

- It will not save a single job, but serves to produce further job cuts, wage reductions and benefit cuts.

- It pits European workers against Chinese workers and workers within Europe against one another, and prevents any effective opposition to international corporations.

- It sharpens international tensions and conflicts. Protectionism and trade war are a preliminary stage to military conflict.

The immediate reason for the new wave of attacks in the steel industry is global overcapacity. China, which produced half of all steel worldwide in 2015, has an overcapacity of 350 million tons according to EU estimates. This is double the amount produced in one year in the entire EU. China's attempt to export a portion of its surplus has led to a collapse in prices of up to 40 percent.

The deeper cause of this imbalance is the global crisis of capitalism. For years, cheap wages in China served as the motor of the world economy. While workers' incomes sank in the industrialised countries under the pressure of global competition, obscene riches were amassed by the wealthiest layers of society. Just 147 banks, investment funds and large corporations control over a fifth of world production, while 62 billionaires possess the same wealth as the poorer half of humanity—3.7 billion people.

The concentration of financial capital in just a few hands has not dampened international conflicts, but intensified them. The struggle to re-divide the world among the imperialist powers led to the First and then Second World War. In the same manner, the struggle for export markets, raw materials and trade routes once again assumes the dimensions of open military conflict.

The US has been at war for 25 years, practically without interruption. It has destroyed entire societies in Afghanistan, Iraq, Libya and Syria. The European powers, with Germany and the UK in the lead, are arming themselves and striving to play a significant military role on the world stage once again. The US is encircling China, while NATO is encroaching on the Russian border.

History proves that the types of punitive tariffs and other protectionist measures demanded by the unions and steel corporations have devastating consequences. They set off a chain reaction of mutual trade war measures like those that preceded the Second World War in the 1930s.

The first victims are the workers in the countries involved. While unions in Europe are demanding sanctions against China, the regime in Beijing has already announced the destruction of a half million jobs in the Chinese steel industry. And this in a country where hundreds of millions live in bitter poverty!

Hans Jürgen Kerkhoff, president of the steel trade association, who will speak at the IG Metall demonstration in Duisburg, supports this, as well as the destruction of an additional 1.3 million jobs in the Chinese mining industry. “The steel industry in Germany welcomes on principle every initiative capable of reducing the massive steel overcapacity in China,” he said.

Chinese workers will not accept this any more than steelworkers in Europe. But neither section of workers can successfully oppose the attacks of the steel corporations as long as they remain trapped in a national perspective. Only a unified movement of the international working class can effectively combat the impact of the capitalist crisis. The fight against layoffs and social cuts and the struggle against war and capitalism are inseparable.

Only on the basis of a socialist program, whose aim is the overthrow of capitalism and the building of a socialist society, can the attacks of the steel corporations be successfully repelled. A socialist workers government would expropriate the large corporations and banks and organise the entire economy according to social needs instead of the profit interests of a wealthy minority.

Whoever submits to the logic of the capitalist system of private profit, as the trade unions do, is inevitably transformed into a lackey of the corporations. It has been decades since the unions acted in defence of jobs, wages and working conditions. Since 2008, 85,000 steelworkers have lost their jobs throughout Europe, mostly in Germany, Luxembourg, Belgium and France. Heading organisations wedded to the nation-state and the profit system, the union bureaucracy functions as an industrial police force and is paid handsomely for strangling workers’ opposition to the major corporations.

The SEP and the PSG propose the following program for the defence of jobs in the steel industry:

- Defend every job! No sell-out of jobs, wages and benefits in exchange for “plant guarantees” and similar hollow promises!

- Break with the unions and build independent rank-and-file committees that join together steelworkers all over Europe and worldwide!

- Make these rank-and-file committees the starting point for a mobilisation of all workers against capitalist society, which has nothing to offer but poverty, oppression and war!

- Reject the nationalism of the unions and fight for the international unity of the working class!

- In opposition to the European Union and its constituent governments, take up the fight for the United Socialist States of Europe!

- Support the program of international socialist revolution!

- Read the *World Socialist Web Site*, join the SEP and the PSG, and build new sections of the International Committee of the Fourth International!



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