

# Germany's IG Metall union offers to collaborate in restructuring the steel and electronics industries

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A storm is brewing in Germany's metal and electronics industry, the country's most important industrial sector. Trade war and technological change are threatening the livelihoods of 4 million workers. The companies are exploiting digitalisation, the transition to electric vehicles, and the transition towards renewable energy sources to gut social achievements and boost profits.

Over the last year, the major auto giants, parts suppliers and steel corporations announced tens of thousands of job cuts. The IG Metall union responded by closing ranks with management and wealthy shareholders. At the end of January, IG Metall proposed a "Moratorium for a Fair Transition," which offered to impose wage freezes on its members in exchange for a "Pact for the Future."

The main purpose of the proposed pact is to smother all opposition in the working class. With class conflict erupting in France, Spain and other countries, the union is seeking to suppress the opposition of the working class in Germany at all costs. IG Metall officials are urging the corporations to accelerate their restructuring plans and offering its services to crush resistance.

Union officials are accusing management of dragging its feet, complaining that in many plants there are "still no plans" to deal with the crisis, according to IG Metall's document. Therefore, the union intends to take the initiative and play the leading role in the restructuring of the metal and electronics sector. "It is urgently necessary to develop a plan for the transition in every plant and begin the required restructuring, investment, and training of the workforce that will be required for the jobs of tomorrow," states IG Metall.

To this end, trade union officials propose the immediate launching of talks on the "Pact for the Future," during which, it said, union negotiators will avoid demanding pay increases. In exchange, IG Metall asked that during the talks, the companies adopt "no one-sided decisions on job cuts, the spin-off of operations, the outsourcing of production, or plant shutdowns."

The stress here is placed on the term "one-sided." IG Metall is not opposed in principle to job cuts, the spinning-off of operations, outsourcing of production, or plant shutdowns. On the contrary, it deems them necessary. However, the union insists that the bloodletting be carried out with the advice and collaboration of IG Metall functionaries and works councilors. This conspiracy against the workers is to be conducted using the well-worn demagoguery about "fair transition" and "social partnership." The IG Metall

bureaucrats believe they can swindle workers with these honeyed phrases, ensure labour peace in the plants and protect the corporate and financial elite from a rebellion.

Concretely, the "moratorium" calls on the employers to "commit to initiate at IG Metall's request the negotiation of future collective agreements in their companies, which contain concrete commitments to products and investments for the plants and employees, as well as the ruling out of compulsory redundancies."

As the bitter experiences of workers in the steel industry, at Opel, Siemens, and many other companies demonstrates, such references to the "ruling out of compulsory redundancies" are worthless and only designed to lull workers to sleep. The proposals included in the "Pact for the Future" amount to the same methods the unions have long used to force workers to accept wage givebacks, push workers out of the plants, and compel them to take meagre early retirement packages. These include the reduction of workloads by means of working time accounts, cuts to working hours, short-time working, part-time training, and part-time work for elderly workers, as well as other measures to force workers' "voluntary" early retirement.

It is noteworthy that IG Metall wants to negotiate the pact "in the companies"—i.e., at plant level. This creates a mechanism to play off one plant against another and drive workers into a fratricidal struggle to "save" their jobs by accepting even deeper concessions than their counterparts.

At the same time, IG Metall is offering the employers wage cuts. Although bargaining is only due to begin in the metal and electronics sector in mid-March, IG Metall wants to finalise upcoming collective agreements and "agree on a future pact and remuneration prior to the expiration of the labour peace pledge" in the current agreement, the moratorium document states.

The union noted explicitly that it would not make any wage demands in the talks. Prior to talks, it declares, there is "no numerical demand for how much wages should be increased," stated IG Metall.

By concluding a new agreement prior to the expiration of the no-strike pledge under the current deal, IG Metall wants to avoid calling the usual one-day strikes associated with the bargaining process. Under conditions of mounting social tensions and a strike movement in France, the union fears that even these limited job actions could trigger a social explosion.

To press ahead with the restructuring of the entire industry, IG Metall is ready to mobilise its 40,000 works councillors and 80,000 shop stewards, and drive a wedge between IG Metall members and the workers who have already turned their backs on the union. The “Moratorium” calls for “a bonus for IG Metall members,” which is cynically packaged in an environmentally friendly wrapping. IG Metall members should receive additional payments in the form of tickets for public transport, coupons to recharge electric vehicles, or contracts for electricity from renewable energy providers.

In its pact against the workers, IG Metall is not only keen to cooperate with the companies, but also the government. The bargaining partners “depend on the support of politicians to implement the future pact,” states the moratorium document. IG Metall expects “the federal government and parliament to adopt all measures to ensure an effective mobility and energy transition now, instead of kicking them into the long grass.”

The document also appeals for “the swift implementation of the measures jointly presented by the bargaining partners.” The union names easier access to short-time work, a lengthening of the benefit payments made to workers transitioning to short-time work to 24 months, a reduction of social insurance contributions, and an improvement to the so-called “qualification opportunities law.”

IG Metall’s determination to stand shoulder-to-shoulder with the employers and German government is not merely a reaction to the crisis in the metal and electronics industry, but also a response to the resurgence of the international class struggle. The year 2019 was characterised by a series of strikes and mass protests in several countries—Mexico, Chile, France, and Lebanon, to mention only a few examples. In the United States, the first nationwide strike by autoworkers in over 40 years took place while mass protests on the US territory of Puerto Rico forced the governor to resign.

The trade unions see their main task as suppressing the class struggle and stabilising the bourgeois order. In the process, they are cooperating with the most reactionary forces, and urging the government to impose tariffs and other trade war measures to support German industry against its competitors.

Last summer, IG Metall transported 30,000 officials to Berlin to call for a corporatist alliance with the government and major corporations under the slogan “Fair transition.” At the rally, IG Metall leader Jörg Hofmann advocated nationalism and trade war. “New emerging economic powers are reorganising the global playing field,” he said in his speech. “The spheres of influence around the globe are being redrawn. This promotes trade wars and exacerbates current crises.” Hofmann appealed for “a strong European Union” to safeguard the European market with protectionist measures.

Last month, one of the most influential IG Metall works council chairmen called for trade war measures against China. Daimler works council chairman Michael Brecht stated in a industry publication that European politicians should help secure European companies against Asian “oligopolies,” which abuse their power, and establish a European battery producer to rival China.

This course is not fundamentally different from the “America first” agenda pursued by Donald Trump or the nationalism of the far-right Alternative for Germany. The inevitable product of the

nationalist policy is trade war and military conflict. Seventy-five years after the end of World War II and 30 years after the dissolution of the Stalinist regimes, the major powers are once again preparing to violently settle their battle over markets, raw materials, and world power, including through the use of nuclear weapons.

The German government is carrying through a systematic rearmament programme to pursue its economic and strategic ambitions by military means. In this they enjoy the full support of the trade unions, which are drawing on their most reactionary traditions.

During the First World War, the unions concluded a “Labour Peace Pact” with big capital, and the Kaiser and sent hundreds of thousands of their members to their deaths on Europe’s battlefields to defend the interests of German imperialism. Then, on May 1, 1933, the General German Confederation of Trade Unions marched under the swastika to signal their obedience to Hitler, who had come to power just three months earlier. However, this did not save their skins, since the Nazis stormed the trade union buildings the next day.

In a globally integrated economy, workers can only defend their rights and social achievements by coordinating their struggles internationally and adopting a socialist perspective. This requires a break with the trade unions and the building of independent rank-and-file action committees. These committees must reject the dictates of the corporate and financial oligarchs and their IG Metall servants and organise a struggle against plant shutdowns, lay-offs, and social spending cuts. These committees must make contact with workers at other production sites and in other countries and organise industry-wide and cross-border strikes, mass protests and other forms of opposition.

We call upon all workers who want to fight back to contact the Sozialistische Gleichheitspartei and subscribe to and distribute the *WSWS Autoworker Newsletter*.



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