German steelmaker Thyssenkrupp destroys another 5,000 jobs

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Steelmaker Thyssenkrupp is set to destroy 5,000 more jobs. These massive job cuts come on top of the 6,000 job losses already underway, which the company's Board of Directors agreed with the IG Metall trade union and its works council representatives. The heavy sheet metal plant in Duisburg-Hüttenheim is to be closed, costing 800 jobs. Compulsory redundancies can no longer be ruled out.

Following the sale of its elevator division in the spring, which employed more than 50,000, Thyssenkrupp still has around 100,000 workers. The reduction of 11,000 jobs therefore affects more than one in ten employees—3,600 jobs have already been cut.

Thyssenkrupp boss Martina Merz announced the figures on Thursday when presenting the company results for the past fiscal year, which ended on September 30. She attributed the losses in many areas of the group to the coronavirus crisis.

The fact is, however, that the sale of the elevator division brought the company €15 billion [$US17.8 billion], resulting in a net profit of almost €9.6 billion. While these profits flow to the shareholders, above all the hedge fund Cevian, the losses are passed on to the workers.

The pandemic is being exploited to speed up long-planned cutbacks and savings measures, and to impose them with brute force. When the decision was taken in May to break up the Thyssenkrupp group, this was not a reaction to the coronavirus outbreak, but rather a result of massive pressure from large shareholders demanding all business units not generating the required returns be spun off and sold or gradually closed down.

The IG Metall, the Thyssenkrupp Works Council and all ten employee representatives on the Supervisory Board agreed to the break-up in the spring. Since then, they have been collaborating even more closely than before with the company's board to push through the massive job cuts. When CEO Merz announced "hard cuts" on Thursday, she said, "The next steps may be more painful than the previous ones. We will still have to take them."

Thyssenkrupp head of personnel, Oliver Burkhard, sang from the same hymn sheet. He berated the workforce for not having made sufficient use of the so-called "volunteer programme" for job cuts and declared that given this situation compulsory redundancies could no longer be ruled out.

Burkhard is especially hated by many workers. He was an IG Metall functionary for many years. In 2013, he switched directly from his job as an IG Metall district chief in North Rhine-Westphalia to head of human resources at Thyssenkrupp. He pockets an annual income of several million euros in return for preparing and implementing the company's rationalization measures, with all their attacks on jobs, working conditions and wages of the workforce.

On Tuesday, the same message from the IG Metall and the company's board made the rounds—that the Duisburg-Hüttenheim plant with 800 jobs was now finally on the brink of closure. There was no buyer in sight and Thyssenkrupp did not want to continue running the plant itself was the word. For this reason, it was to be closed by September 2021 at the latest. The Works Council and the IG Metall, which are helping to prepare this jobs wipe-out, give these rationalization programmes names that are hard to beat in terms of cynicism: the current jobs massacre is known as the "Future for Steel Pact."

As is customary in such cases, the IG Metall and the Works Council organized a token protest action on Tuesday in front of the Duisburg-Hüttenheim factory gate. Thyssenkrupp Steel board member Bernhard Osburg, accompanied by his colleague Arnd Köfler and Labour Director Markus Grolms (who also moved directly from IG Metall onto the board), then duly announced the end of the plant and the jobs of 800

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workers.

The words of Knut Giesler, IG Metall chief for North Rhine-Westphalia, were no different from those of the board spokesman. In a press release, Giesler announced that after the last potential buyer for Duisburg-Hüttenheim plant had dropped out, there was hardly any chance of preventing the closure of the site, and he used the opportunity to call once again for the state to buy a holding in Thyssenkrupp Steel.

To prevent any industrial action to defend jobs, the news was spread that workers from Duisburg-Hüttenheim affected by the closure could be accommodated in other parts of Thyssenkrupp Steel in the north of Duisburg. Compulsory redundancies in this area were ruled out, at least for the time being, explained Dieter Lieske, IG Metall Duisburg Senior Representative, at the rally in front of the factory gates.

Every worker in Duisburg knows how mendacious such promises are. Jobs are being cut everywhere. In the steel sector alone, 3,000 jobs are on the hit list. Where will replacement jobs come from? The Works Councils are putting pressure on workers to sign termination agreements and thus "voluntarily" give up their jobs. In recent weeks, several workers have reported to the WSWS about such talks and the pressure from the Works Councils.

The call by the IG Metall and Works Councils for state participation at Thyssenkrupp Steel does not serve to secure jobs—quite the contrary. The union is acting as a lobbyist and representative of the interests of the investors and shareholders, who have already taken advantage of the coronavirus pandemic in the spring to collect hundreds of billions of euros in state aid. These funds were used to further enrich the super-rich and, at the same time, to implement already prepared restructuring and rationalization measures.

Moreover, the unions support the policies of the grand coalition government of the Christian Democratic Union/Christian Social Union and Social Democratic Party (CDU/CSU, SPD), which, in the face of the deep crisis of the capitalist system, exacerbated by the pandemic, is preparing the entire economy for global trade and economic war. At the beginning of last year, Federal Economics Minister Peter Altmaier (CDU) presented his concept for a "National Industrial Strategy 2030." He emphasized that closer cooperation between state and market was necessary to enable "rapid international expansion … with the clear aim of conquering new markets for one's own economy and—wherever possible—monopolizing them."

This is precisely what the trade unions and their works council representatives support. For a long time, they have been demanding protective tariffs, protectionist measures and more initiative from the government to support "national economic interests." Their call for the state to intervene is directly linked to the use of billions in taxes to implement rationalization programmes aimed at increasing Germany's global competitiveness.

Just how far the unions are going in this direction was demonstrated last week at national air carrier Lufthansa. Voluntarily, in the form of pre-emptive subservience, so to speak, the three unions responsible there are offering the Lufthansa board of directors a €1.2 billion wage cut and the elimination of one in five jobs. This would include salary reductions of up to 50 percent.

The renewed mass layoffs at Thyssenkrupp make clear how important it is that workers resist the reactionary machinations of the IG Metall and its Works Council representatives. The defence of jobs, wages and other gains can only succeed if it is directed against the logic and constraints of the market economy. It must be anti-capitalist, that is, socialist. It is not company profits that are decisive for the organization of the economy, but the interests and needs of the workforce, their families and society.

Employees at Thyssenkrupp and all other workers stand in open conflict with the trade unions. They must unite in new rank-and-file committees, politically and organizationally independent of the unions, and which stand for an anti-capitalist, socialist response to the current attacks. We call on all workers who want to fight against the mass layoffs to participate in building such independent rank-and-file committees and contact us today.

To contact the WSWS and the Socialist Equality Party visit:

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