

Backed by the union, Mercedes plans to close its oldest factory in Berlin

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The Daimler group plans to discontinue production of the V6 diesel engine at its oldest plant in Berlin locality of Marienfelde. Eighty percent of the factory's 2,500 jobs will be cut, the beginning of the end for the factory.

In closing the plant, Mercedes management is relying on intensive cooperation with the factory's works council and the IG Metall union. For many decades, every corporate decision affecting the workforce made at Marienfelde, and all other Mercedes factories, has been discussed beforehand with the works councils, which then develop strategies for their implementation.

One part of this rigged game are the pseudo-protests held at the factory gate with IG Metall flags and whistles, such as on November 12. IG Metall bureaucrats turned up and distributed flags, whistles and IGM caps to their stewards. The media was informed and the head steward of IG Metall Berlin, Jan Otto, made his appeal for the company management to act responsibly. Workers changing shift provided the background scenery for the IGM media show.

The aim of the rally was to provide a smokescreen and distract from the union's own role in the closure of the plant. Under conditions of increasing discontent and anger on the part of workers over the closure, and growing signs of militancy at other Daimler factories and elsewhere against historically unprecedented cost-cutting measures, IG Metall is refusing to organise any sort of meaningful protest. On the contrary, the union is using the threat of closure to blackmail workers and impose drastic cuts to wages and working conditions.

The extent of the complicity of the unions became apparent last week at Lufthansa. In an act of complete submission, the three trade unions with members in Germany's biggest airline offered the Lufthansa board of directors a €1.2 billion cut in incomes and the elimination of one-fifth of the workforce. The proposal involves wage reductions of up to 50 percent.

One day before their rally in Berlin, IG Metall announced via the press that the manager of the engine plant, René Reif, was to leave the company and switch to competitor firm Tesla. At the rally, the IG Metall functionaries and the chairman of the works council then loudly denounced this "betrayal" by the manager.

Jan Otto, who took over the highly remunerated post of head

steward of IG Metall in Berlin two months ago, scolded the "soulless manager" who had changed sides and offered his services to a non-German company. Otto's reactionary, nationalist ranting is well known from his time in Gorlitz, when he called for more government support against foreign competition and allowed the far right Alternative for Germany (AfD) to participate in an IGM demonstration.

Otto said nothing about the announced mass layoffs in other Mercedes plants and the billions in cost-cutting measures that the Daimler group has already imposed on the workforce in close cooperation with IG Metall.

He said nothing about the fact that the company, like the entire auto industry, is using the coronavirus pandemic to rapidly implement a long-planned program of massive cost-cutting. He also had no problem with the fact that, despite rapidly rising numbers of Corona infections, tens of thousands of Daimler workers are still being forced into the factories, risking their lives in the process. Nor does he care about the many other Daimler sites in Germany, Europe, and around the world that are to be closed or drastically cut back.

All his indignation was concentrated on his indictment of the "shameless" plant manager, who had let down the works council and IG Metall. In addition, he requested that company boss Ola Källenius organise a faster transition from combustion engine to electric motor production, a process in which IG Metall was ready to play its part.

Jan Otto appealed to the head of Daimler as an old friend: "Ola Källenius, you are making a mistake, what you are doing is nonsense, but you are lucky. We are here, we are saving you from the biggest mistake of your—hopefully not very short—career."

Works council chairman Michael Rahmel sang the same tune—no less vociferously, but even more theatrically—openly admitting his own intimate and confidential collaboration with plant manager René Reif. Now these bureaucrats have been exposed as utterly empty-handed before the workforce. Workers' anger over the role of the works council as the henchman of management is becoming more and more obvious, and opposition is growing day by day.

The closure of the Berlin plant is a turning point. It is the oldest Mercedes plant in the world still in production and was

founded 118 years ago. In 1902, Daimler-Motoren-Gesellschaft took over an ailing engine factory and expanded it. In the same year, Daimler registered “Mercedes” as its brand name.

Initially, Daimler produced vehicles and ship engines in Marienfelde. In 1916/17, production was switched to armaments and the first German tank, the “A7V,” was developed and built there. In 1926, the company merged with Benz & Cie. to form Daimler-Benz AG. A huge engine plant was then built on an area of around 38,000 square meters.

For years, IG Metall argued that this tradition meant the company could not afford to shut down its Berlin factory. Time and time again, the works councils have lied to the workforce, declaring that a succession of job cuts was the price necessary to secure the site. These lies have now been completely exposed.

It is well known that works council leader Michael Rahmel is an integral member of company management. He sits in the select circle of the Supervisory Board of Mercedes-Benz AG, receives all relevant information, and pockets handsome remuneration and allowances. Together with the other heads of the Daimler/Mercedes works council, he regularly sits with management in the control centre of the global corporation, which has over 300,000 employees.

The list of bought and paid for union bureaucrats is extensive. At the very top is Michael Brecht, chairman of the central works council of Daimler AG. He is the deputy chairman of the company’s Supervisory Board, Mediation Committee, Presidential Committee and Audit Committee. In return, he receives compensation of almost €500,000 per year, plus countless bonuses. His actual salary is not even included in this figure; for his post as chairman of the central works council of Daimler AG, his salary is probably the same as that of a senior Daimler manager.

The union bureaucrats are not only embedded in management structures and well informed via the German system of “co-determination,” they also provide big corporations with sophisticated concepts and strategies. This support, usually invisible to the workforce, is essential for companies which would otherwise encounter direct resistance from workers when jobs and conditions are cut. These concepts are developed by the Hans-Böckler trade union foundation, which functions as a special type of management consultancy firm.

But there is more. This summer, IG Metall founded its own investment company called “Best Owner Group” (BOG). The BOG aims to buy up supplier companies threatened with insolvency, either whole or in part. In this way the supply chains of the auto companies are to be secured by preventing “over capacity” via cuts, or companies are shut down completely.

At the time, the WSWS wrote the following: “To date, IG Metall and its works councillors served as co-managers, helping to draft plans for restructuring and layoffs, and imposing them on the workers. Now they are going a step

further and dismantling companies independently. *Manager Magazin* therefore humorously titled its report on the fund ‘The good vultures of IG Metall.’”

When it became known in the summer that company boss Ola Källenius wants to cut 30,000 jobs and close six plants, the German business periodical *Manager Magazin* headlined: “Daimler boss starts harshest program of cuts in history.” The Smart plant in Hambach, France, passenger car plant in Iracemápolis, Brazil, the new engine plant in Jawor, Poland, and a factory in Aguascalientes, Mexico are all to be closed down. In addition to the factory in Berlin-Marienfelde, the components plant in Hamburg and the Mercedes factory in Ludwigsfelde with its Sprinter production are also under threat.

The coronavirus crisis and technical changes in the auto industry are being used by investors and shareholders to clear the decks in the auto industry by laying off tens of thousands of workers, rip up social achievements fought for in the past and introduce slave-like conditions in the factories.

The unions, which defend the capitalist profit system and are closely linked to the nation-state, always act against the interests of workers. It is high time Daimler workers took action against this conspiracy between management and the works councils.

The right to work and decent wages stands higher than the obscene enrichment of major shareholders and their henchmen. The works councils must be forced to disclose all details of their secret negotiations with management.

Auto workers face the task of breaking with the unions and their bought-off works councils, forming independent action committees, uniting internationally and fighting for a socialist program. We call on all readers, and especially Daimler workers, to contact the WSWS to discuss these issues and organise a joint struggle to defend jobs.



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