

IG Metall responds to planned closure of Daimler plant in Berlin: “The main thing is that we’re sitting at the table”

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Production at the Daimler plant in Berlin-Marienfelde came to a standstill on Wednesday last week. Several hundred of the 2,500 employees followed a call by the IG Metall union and participated in a protest demonstration against the threatened shutdown of the long-standing plant in Germany’s capital.

This was the second demonstration within a month after IG Metall called for a protest on November 12. But while the workers involved are very concerned about their jobs and their future, the union is leading them around by the nose.

The closure of the Marienfelde plant, where, according to the plans known so far, production is to be completely stopped and only offices are to remain, is part of the auto company’s comprehensive strategy to catapult its profits into double-digits at the expense of the workforce. IG Metall and its works council representatives are not only aware of these plans, but they helped draw them up and enthusiastically support them.

On the same day that the workforce protested in Marienfelde, IG Metall announced on its “IGM @ Daimler” website, under the heading, “Important step into the future”: “At the end of last week, the Daimler investment plan for the next five years was approved. It includes more than €70 billion for research and development, as well as for investments in tangible assets. A clear sign for the future since the focus is clearly on new technologies and fields of activity.”

A glance at Daimler’s corporate website is enough to see what this “investment plan” is all about. It is the practical implementation of a long-term strategy that the company presented to its investors on October 6. According to Daimler CEO Ola Källenius, the strategy aims to achieve “strong and sustained profitability” by reducing costs by at least 20 percent over the next five years.

In this, Daimler is moving with the times. Given the obscene enrichment of a tiny minority during the coronavirus crisis, the corporation intends to expand the

“luxury positioning of the Mercedes-Benz brand” even more than before. In particular, the “sub-brands AMG, Maybach, G, and EQ” are to be grown significantly. “Luxury has always been part of the soul of Mercedes-Benz. In the future, the brand will again focus more strongly on luxury,” says a corresponding press release.

However, this does not apply to the workforce. For them, the only “luxury” is of increasing productivity targets and lost jobs. The continuous reduction of costs is a central component of the new strategy. “Overall, fixed costs are to be reduced by more than 20 percent compared with the actual figures for 2019 as a result of capacity adjustments and lower personnel costs,” the company states. The same applies to “investments in tangible assets as well as research and development expenses.”

The €70 billion investment celebrated by IG Metall is primarily aimed at rationalizing the corporation and converting production to electromobility. “The development resources and expenditure [should] flow into the most profitable market segments to achieve higher structural profitability,” the company press release states. According to Board Member for Development Markus Schäfer, Daimler is aiming for “nothing less than leadership in the field of electromobility and digitization through an intelligent platform strategy and a software-based approach.”

This requires a continuous reduction in jobs, as CFO Harald Wilhelm explained to investors. He proudly presented a graph according to which the number of employees worldwide fell by 3,800 in the first eight months of this year and is now below 170,000. This must be carried forward continuously until 2025.

Not only IG Metall is rejoicing, but shareholders too are enthusiastic. However, this is not expressed in words, but in figures—the company’s share price is rising steeply. While it was still below €43 in August, it is now approaching the €60 threshold. Trade journal *Der Aktionär* (*The Shareholder*) already lists €65 as the “next milestone.” With more than 1

billion shares in circulation, this would represent an increase in assets of over €20 billion.

The jubilant response on IG Metall's website does not contain a word about the social consequences of the new Daimler strategy. Instead, the union is elated that there will also be something for its functionaries. "In addition to this impressive sum [of €70 billion], a Transformation Fund with a volume of one billion euros will be set up at our request—also with a term of five years," it writes, "This was decided jointly by the supervisory board, the employees' side and the capital side."

IG Metall only vaguely hints what this €200 million annually is for. It is a matter of "shaping the transformation that is taking place in such a way that everyone can keep up" and "softening any possible future ruptures." There is also talk of "investments at our production locations." Is this intended to finance the notorious "job creation employment companies" that serve as a marshalling yard for unemployment? The union does not say.

What is important to IG Metall is one thing above all: It continues to sit at the table and shares the cream when decisions are made about redundancies. On this point, for once, it is honest. On "IGM @ Daimler," it writes: "Now that the money has been released, it is now a question of the content of the Transformation Fund. In doing so, we are clarifying how we fill up this pot, which investment projects will be realized and how the distributions will be made. One thing is clear: We are sitting at the table when these decisions are made."

The goal of the rally in Berlin-Marienfelde was to prove the union's reliability to the company. It was intended to let off steam and sabotage any serious resistance to Daimler's restructuring plans. Behind bombastic announcements that it would "rain fire from the sky," the new Berlin IG Metall representative Jan Otto pursued a completely reactionary policy.

He did not invite colleagues to the rally from other Daimler production locations, such as Stuttgart-Untertürkheim, who are also threatened with closure. Or from Hambach in France, where the Smart plant has just been sold off to British speculator Jim Ratcliffe. Instead, he offered a stage to politicians of the governing parties, who are giving away billions to the banks and corporations and are responsible for the death of thousands with their coronavirus policy.

Beside Irene Schulz from the IG Metall executive committee, the local district mayor Angelika Schöttler (Social Democratic Party, SPD) and the deputy federal SPD chairman Kevin Kühnert, Berlin Christian Democratic Party (CDU) chairman Kai Wegner also spoke at the rally and hypocritically called for "support."

Schulz spoke in nationalist tones and demanded a "clear commitment to Germany as a business location" from Daimler. Schöttler appealed to the "ethical responsibility" of the Board of Directors. Wegner played the workers' buddy and called on "colleagues" to "continue to fight together." Kühnert sang the praises of IG Metall: It was worth a lot to have "a union that is ready to help shape the future."

Jan Otto had already cooperated with right-wing political forces in his former function as IG Metall representative for Eastern Saxony to cut jobs. Three years ago, at a trade union demonstration in Görlitz, he had even personally welcomed the Alternative for Germany (AfD) member of the Bundestag (federal parliament) Tino Chrupalla, who has since become federal spokesman of the extreme right-wing party.

Jobs and social gains can only be defended by a united, independent movement of the working class directed against the capitalist system and its political representatives. Daimler is not an isolated case. All the major corporations in the automobile, supplier, steel, engineering, chemical and other industries are using the coronavirus crisis to get shed workers, intensify exploitation, and prepare for trade and military war.

All the contradictions of the capitalist system that led to two world wars a hundred years ago are breaking out again. Only the expropriation of the big banks, corporations and fortunes of the wealthy and the reorganization of society on a socialist basis, starting from the needs of society and not the profit drive of the rich, can stop this dangerous development.

The Sozialistische Gleichheitspartei (Socialist Equality Party, SGP) advocates the establishment of rank-and-file committees that are completely independent of the trade unions to take charge of defending jobs and network nationally and internationally. We call on all workers who are prepared to oppose the attacks by Daimler and the other corporations and fight for socialism to become members of the SGP today.



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