

# After the German elections: Mass layoffs and plant closures begin

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On the advice of the trade unions and establishment political parties, many companies had postponed their announcements of rationalization measures, mass layoffs and plant closures until after the election.

The aim was to prevent further workers' protests during the election campaign and on election day, in addition to the strike by train drivers, the protests by Siemens Energy workers in Berlin against massive job cuts at the gas turbine plant, and the strike by workers at Berlin's two largest hospital groups.

But as soon as the polling stations were closed, there was a hail of bad news from factories and corporate headquarters.

## Opel Eisenach

Company management suddenly announced short-time working until the end of the year, which means massive wage losses for employees. There are also clear indications that the production stop will be used to prepare the closure of the plant in close collaboration with the works council and IG Metall union.

## Ford Saarlouis and Cologne

On the sidelines of the Automotive Congress in Saarbrücken last week, Ford workers again demonstrated against the massive job cuts at the Saarlouis plant. The future of the historic plant, which celebrated its 50th anniversary last year with great pomp, is completely uncertain. In his provocatively arrogant manner, Ford Germany boss Gunnar Herrmann told the *Saarbrücker Zeitung* that if there was any future at all for the plant, it would only be if all employees brought "gigantic flexibility with them" in the future. "Gigantic flexibility" is apparently the new term for the slave-like exploitation of labour.

In Cologne, Ford has stopped Fiesta production until the end of October because of the shortage of materials. What will happen to the plants after the crisis is still completely unclear. Last week, the group's management suddenly

announced that it would focus its transition to electric mobility heavily on the US and build new plants in the states of Kentucky and Tennessee.

## VW Wolfsburg

"Gigantic flexibility" is also to be introduced at VW. Company management announced a "radical restructuring" to "compete against Tesla and the competition from China."

Last Thursday, Volkswagen CEO Herbert Diess and brand boss Ralf Brandstätter called all 120 top managers together in Wolfsburg for a crisis meeting. They said there had to be "a revolution" at the main plant, similar to "open-heart surgery." The VW bosses stressed: Without a massive increase in productivity and profitability, the group would not be able to hold its own in the international market.

Tesla, but also the many new Chinese manufacturers, produce more cheaply and faster. At the same time, the quality of their vehicles is improving all the time and has now reached European standards. As a result, more than 70 percent of Chinese customers have already decided to buy their next premium vehicle from a Chinese manufacturer, according to automotive experts from the consulting firm Kearney. In addition, a Tesla 3 is built in ten hours, more than three times as fast as a VW ID.3 in Zwickau. This puts Tesla in a different dimension in terms of productivity and profitability.

## Bolta-Werke

Bavarian automotive supplier Bolta Werke from the Nuremberg region has filed for bankruptcy. Bolta says it has around 1,000 employees at its Diepersdorf headquarters. In terms of the number of employees, it is one of the largest companies in the Nuremberg region. The company has subsidiaries in the south of the USA and in Mexico. Worldwide, 2,400 people work for the Bolta Group.

## FAM

The long-established machine and plant manufacturer FAM is cutting 100 of the total of almost 600 jobs at its Magdeburg site. According to the report, employees were informed of details of the job cuts at a works meeting last Wednesday. To prevent protests, the works council and IG Metall immediately announced there would be a transfer company and severance pay for those affected.

### **Blohm+Voss**

The long-established Hamburg shipyard Blohm+Voss is facing mass layoffs. At a staff meeting last Friday, the management of the parent company Lürssen, from Bremen, announced that a large part of the workforce will have to leave. Currently, the shipyard has about 580 employees. The union announced it would hold negotiations.

### **Evonic**

The Essen-based Dax-listed group made a surprise announcement a week ago that the Niederkassel-Lülsdorf site, in the Rhine-Sieg district of North Rhine-Westphalia, is to be abandoned in the foreseeable future. The aim is to sell the entire Niederkassel site to a new owner. The future of the 600 employees is completely uncertain.

This list could go on and on, and it grows longer every day.

After the elections, the ruling class is implementing a general attack on workers. The hundreds of billions of euros that flowed primarily into the large companies and banks in the course of the so-called coronavirus rescue packages are now being recovered. At the same time, the German economy is to be made more profitable in the face of international competition. All this requires massive attacks on wages, working conditions and jobs. In the auto industry alone, half a million jobs are at stake.

Workers who take up the fight to defend jobs, and against social cuts and wage reductions, are confronted not only with all the parties in the Bundestag (federal parliament), but also with the unions and works councils, which form a close pact with management and corporate executives. They act as co-managers and develop concepts for the corporations and government to assert the interests of German industry in the global competition for markets and profits.

In doing so, they use their extensive apparatus of functionaries, including works council representatives and shop stewards, to suppress a real struggle to defend jobs, wages and social standards. This strategy also includes pseudo-protests that serve only to spread frustration and site-specific campaigns that divide and pit workers against each other. But the unions are increasingly failing to

control and suppress the growing resistance in the workplaces.

The Sozialistische Gleichheitspartei (Socialist Equality Party, SGP) has prepared the working class for this development. During the election campaign, we explained the importance of building rank-and-file committees in which workers organize independently of the corporatist unions and network internationally.

In the perspective “Germany’s federal election and the intensification of the class struggle,” we wrote a few days before the election:

All over the world, workers are facing the same multinationals and financial interests. That is why they cannot allow themselves to be divided. They can only defend their rights and gains if they coordinate their struggles internationally. This requires a break with the trade unions and the building of the International Workers Alliance of Action Committees (IWA-RFC).

At the same time, we have stated that workers need their own party to develop and provide political leadership for their struggles. The SGP is the only party that bases itself on an international, socialist programme to give the working class a clear and principled perspective in the present and coming struggles with corporations, government and unions.

Building independent rank-and-file committees in the workplaces and the SGP as the new mass party of the working class is now crucial.



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