

# Resistance in Germany is growing to insolvencies, redundancies and wage dumping

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Outrage is growing in the working class. Across Germany and Europe, the costs of the pandemic, economic crisis and war are being passed on to working people. More and more workers are ready to take up the struggle against exploitation, spinoffs and job cuts.

Workers are confronted not only with the greed for profit of the corporations and shareholders, but also with the bureaucratic apparatus of the trade unions, which isolates and divides workers' struggles and lets them fizzle out in ineffective protest actions. This is why the Sozialistische Gleichheitspartei (Socialist Equality Party, SGP) is fighting for independent rank-and-file action committees in all workplaces.

In the third quarter of this year, there was an unusually high number of insolvencies among medium-sized companies. In just three months between July and September, 33 companies whose annual turnover was at least 20 million euros filed for bankruptcy. By the end of the year, 130 such large insolvencies are expected, 71 percent more than last year.

Above all, automotive suppliers are badly affected. For example, the ZF site in Eitorf, which belongs to the automotive supplier ZF Friedrichshafen, is to be closed by the end of 2025 and production relocated, destroying the jobs of 690 employees. Other auto suppliers that have filed for insolvency include the North Rhine-Westphalian Borgers Group (1,900 employees at five sites), the Upper Franconian plant of Dr. Schneider (2,000 employees), the Palatine foundry Heger (130 employees) and the Rüster plant (630 employees) in Deggingen.

In Göbblingen, Elektro Speidel, an electrical and communications technology company with 360 employees, is also insolvent. The IT company Atos in Essen wants to cut 1,400 jobs in Germany in the course of a "split-up." In Essen, 1,100 Atos workers are fighting for their jobs.

The biggest auto companies have made record profits in the same period. According to a study by Ernst&Young on the world's 16 largest carmakers, the third quarter of 2022 was "a dream quarter for them despite the slowing economy and a very difficult geopolitical situation..."

Both total profits and total sales were "at the highest level ever recorded in a third quarter," writes *Manager Magazin*. Worldwide, the companies were able to increase sales and profits by an average of 28 percent; for the German corporations, the profit increase was 58 percent. Mercedes Benz posted the highest profit, with 5.2 billion euros, ahead of Volkswagen, with 4.7 billion euros, and BMW, with 3.7 billion euros.

Among auto workers, on the other hand, there is anger and concern. The new contract recently negotiated by the IG Metall union means a significant cut in real wages in view of the inflationary consequences

of the Ukraine war. In addition, IG Metall completely ignores the temporary workers, although they make up an increasingly large part of the workforce—also at Mercedes. They do the same work as the permanent employees, but at considerably lower wages and without any job security.

Above all, many workers are critical of the fact that the great willingness to fight, which was demonstrated in warning strikes involving almost 900,000 workers, was not used to achieve a better result. Instead of extending the strike, initiating a ballot, and preparing for a full strike, IG Metall stifled and suppressed the strike movement at the crucial moment.

At electric auto manufacturer Tesla in Grünheide, owned by the richest man in the world, Elon Musk, workers confront conditions that acutely endanger their health. A team from the Brandenburg State Office for Occupational Safety, Consumer Protection and Health (LAVG) discovered that the factory is operating without the necessary and prescribed dust protection measures. Mineral dust with different quartz contents is released, which can lead to silico-tuberculosis or lung cancer. There is also no tested and reliable fire alarm system at Tesla, only a provisional fire alarm plan.

The Tesla plant, with 5,000 employees, was trimmed back for maximum exploitation in the summer, so as to maintain production at "hell's pace" (in the words of Musk himself). But even now, when the authorities have identified acute deficiencies, the state of Brandenburg is not intervening. Nor does IG Metall intend to take up a principled fight for the rights of the largely international workforce. Instead, the union has been submissively assisting Tesla for months as an advisor and "partner" on the way "into the culture of co-determination," and is trying to be accepted by Elon Musk as a proven force for labour discipline.

Numerous workforces in other sectors are in a similarly difficult situation as the Tesla workers and are ready to fight. In eastern Saxony, workers at Waggonbau Niesky (WBN) are protesting against the fact that they have been forced onto short-time working since April this year, while the workforce is constantly shrinking. The company, which belongs to the Slovakian freight car manufacturer Tatravagonka, has already cut 100 of the original 360 jobs.

Also in Saxony, the strike by 150 workers at Teigwaren Riesa ended in victory last week. For seven weeks, workers struck against outright dumping of wages. They finally won their demand for two euros more per hour. The wages of the workers, who until now have only earned just over the legal minimum wage of 12 euros, are to be raised in three steps by the end of next year, although even an hourly wage of 14 euros gross will not solve their financial problems.

At Frankfurt's Rhine-Main airport, Air France/KLM ground

workers went on strike all day on 25 November. Some 150 employees work in the cargo area at several airports for very low wages but have not received a wage increase for almost 10 years. Verdi, the service union, is pursuing a divisive strategy of seeking its own in-house pay scales for each company and calling on each workforce to fight separately.

As a result, the protest actions organised by Verdi are completely toothless from the outset, as the case of the KLM ground staff proves once again. The already poorly paid workers, who work hard in wind and weather, have been working without a pay scale for seven years and 21 rounds of negotiations. Even before the current hike in inflation, the ground workers had to accept a loss in real wages of about 12 percent, while the airline's cargo business is booming.

Struggles at airports are taking place around the world. In the US, American Airlines flight attendants went on strike simultaneously at eleven major airports on 16 November for their wage demands. The conflicts are not only increasing among private service providers and in production, resistance is also growing in the public sector, in nursing, in local and long-distance public transport and at universities.

At the beginning of October, about 1,000 doctors at the Berlin Charité Hospital held a warning strike—for the first time in 15 years! Another such strike was only averted at the last minute when on 29 November the Marburger Bund (doctors' union) agreed with the Charité board on a "further development" of the in-house pay scales.

This will not solve any of the problems, neither the chronic understaffing nor the effects of the coronavirus pandemic and rampant inflation. In addition to a one-time bonus of 3,800 euros, doctors are to receive an increase of 3.5 percent from January 2023 and a further 2.2 percent from July 2023 on their salary scales. This means that they too will have to accept a cut in real wages in the face of 10 percent inflation.

Nurses everywhere are working at their limit, fighting against deteriorating conditions, staff shortages and the pandemic. Meanwhile, the situation in the intensive care units at children's hospitals is getting out of control as a strong wave of influenza meets an unusually violent spread of respiratory diseases. More and more paediatricians rightly see the cause in the fact that paediatric clinics, like hospitals, are supposed to make a profit instead of curing the sick.

This week there were warning strikes at four university hospitals in Baden-Württemberg, and Verdi's actions show how great is the willingness to fight. The union was forced to extend the warning strikes to four days. Meanwhile, it refuses to initiate a ballot and an indefinite strike.

About 2,000 nurses went on strike this week in Tübingen, Ulm, Heidelberg and Freiburg. In the previous week, there were strikes at the university hospitals in Giessen and Marburg in the state of Hesse.

The strikes in the nursing sector are part of a European-wide and international movement. In France, for example, doctors in private practice have been on strike from Thursday until Saturday, mainly for higher fees. The initiative came from a free association of young doctors, the "Médecins pour demain" (Doctors for Tomorrow).

In long-distance transport, train drivers, train attendants and railway workers are unhappy because their wages are not keeping pace with inflation. Their struggles are part of railway workers' wage struggles in France, Britain, Belgium, Austria and the United States. In Baden-Württemberg, train drivers at Südwestdeutsche Landesverkehrs GmbH (SWEG) and SWEG-Bahn Stuttgart GmbH are ready to strike after five weeks of inconclusive negotiations. Both companies are owned by the state of Baden-Württemberg.

The energy crisis is also affecting universities, where staff and students now must work in room temperatures of 19 degrees Celsius (instead of 21 degrees). Other institutions, such as Koblenz University of Applied Sciences, have switched to distance learning for five weeks, until 8 January, to save energy. During this time, all lectures will be held online, and laboratories, libraries and the refectory will remain closed.

The Ruhr University Bochum (RUB) has imposed a six-month hiring freeze in non-scientific departments in order to cut up to 250 jobs and save seven million euros. The RUB is thus copying the University of Vienna, which is not hiring any new staff until February 2023. There, the hiring freeze also affects employees in temporary positions whose contracts are now no longer being renewed.

This by no means exhaustive list makes it clear that the social catastrophe facing the working class is directly linked to the enrichment of corporate and financial elites. The general trend that is clear is the widening of the gulf between rich and poor, between the ruling elite and the working class. At the same time, there is a growing resistance, which is increasingly international and anti-capitalist in character, and directed against the sabotage of the trade union bureaucracies. The war policy of the ruling class is increasingly perceived as the cause and aggravation of the hardship confronting working people.

In this situation, the building of rank-and-file independent action committees is necessary for workers to take the struggle against job cuts, wage cuts and war into their own hands. The International Committee of the Fourth International (ICFI) has founded the International Workers Alliance of Rank-and-File Committees (IWA-RFC) to provide guidance and coordination to these action committees. The best example of this struggle is the great success achieved by autoworker Will Lehman in the fight against the UAW bureaucracy in the US.

Only in this way can the war itself be stopped and its effects in terms of job losses and real wage cuts be ended. We call on all workers to contact us by Whatsapp message at the following number: +491633378340 or register for the action committees.



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