Plant closures and mass layoffs in Germany continue at Christmas

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In the days leading up to Christmas, announcements of plant closures and mass layoffs continue in Germany. Amid the ongoing war in the East, rampant inflation, bankruptcies and job cuts are piling up. Thousands of workers are facing the loss of their job and the livelihood of their family.

In the auto industry, multi-billion-dollar corporations are using the restructuring to electric vehicles and the explosion in energy prices to launch a frontal assault on wages and jobs. This is having a particularly strong impact on supplier companies.

Workers at the **Druckguss Dohna** foundry in Saxony are currently experiencing this. Some 120 die-casting workers will lose their jobs in just 10 days; another 90 will be laid off six months later, and the rest of the 287 employees will have to leave at the end of 2023. Druckguss Dohna belongs to the automotive supplier DGH-Group and mainly produces engine and transmission parts made of light metal. Production will continue for the time being at a second site in Hof, Bavaria.

In Eisenhüttenstadt, Brandenburg, steelworkers at **Arcelor Mittal** fear for their jobs. Short-time working, which has been in place since September, will continue in the first quarter of 2023. Workers in the rolling mill are particularly affected by the loss of wages. In the former East Germany, the steel mill employed up to 16,000 workers; today there are only 900.

Several hundred employees of the electrical engineering group **TE Connectivity** are under acute threat of redundancy. The global group for electrical and electronic components is planning to cut a total of 300 jobs at all its German sites. The works council at the Bensheim site (southern Hesse) let the employees know this news in a simple notice on the bulletin board. The group, which is in the process of destroying 300 jobs, is at the same time reporting an annual profit of $2.26 billion.

The major auto companies Volkswagen, Opel/Stellantis, Daimler Benz and BMW are also passing on the crisis to their workforces. At **Opel**, a further 1,000 job cuts have been imposed at all three sites since October. In the entire car division, production is being shifted increasingly to temporary workers.

Volkswagen is also employing more temporary workers, who are paid less than permanent employees and can be dismissed more easily. This has been tacitly decided by the works council and IG Metall union for years. But even the better-paid engineers are no longer safe at VW. In October, Volkswagen and Ford abandoned their **Argos AI** joint venture to develop an autonomous passenger car. As a result, several hundred software engineers face an uncertain future.

On December 15, VW's new CEO Oliver Blume announced his plans for a change in strategy. In the process, **Audi** is to hand over the role of technology lead to Porsche, putting the jobs of many development and software engineers in Ingolstadt at risk. It emerged shortly afterwards that annual factory costs at Audi's Neckarsulm plant are to be halved by 2033.

The crisis is not only felt in auto, steel and metal production, but in all sectors. Many medium-sized companies in production, services and logistics are passing on increased energy costs and the economic crisis as a whole to the working class.

This year, for example, employees of **Intigena**, a manufacturer of hygiene products, will also experience a bitter Christmas. In three months, at the end of March 2023, the plant near Fulda is to be closed and production cease, affecting 150 employees, some of whom have been with the company for many years. They were informed at a works meeting last Monday and will receive their compulsory redundancy notice just before Christmas.

In the retail sector, sales assistants at **Galeria Karstadt Kaufhof** are particularly affected. Billionaire René Benko wants to close up to 90 more stores, with around 10,000 employees in the near future, and this is after 40 stores were already shut down in the last two years. Massive staff cuts are also expected at the remaining locations. The Galeria General Works Council communicated the figures to staff in an email on December 20, while the workers are currently bracing themselves for the last days of the Christmas shopping season.

The layoffs, plant closures and attacks on wages and hours are part of a class war waged by the ruling class and its lackeys in the trade union headquarters. The working class is being made to pay for the escalating costs of war, just as it has had to pay the costs of the government's failed pandemic policies.

Last weekend, Germany's central bank, the Bundesbank, predicted a recession for the entire coming year as well as continued high inflation. The causes lie primarily in the stoppage of Russian oil and gas and supply chains that have been disrupted in the course of the pandemic. Nevertheless, bankers and economists claim that it is the allegedly excessive wages of workers that are fuelling inflation and are to blame. That is why they are demanding low wage settlements and the replacement of jobs covered by collective bargaining agreements with temporary positions, and are pushing through job cuts, plant closures, and wage and benefit deals far below the rate of inflation.

Meanwhile, shareholders, managers and the super-rich are lining their pockets. Lufthansa's supervisory board has just decided to resume paying millions in bonuses to its top managers.

During the pandemic, when 30,000 **Lufthansa** employees were laid off, the German government bailed out the airline with billions in taxpayers' money. The condition for the government's coronavirus aid was that the executive board members forego their bonuses, but they were not prepared to do so.

At the beginning of December, the Supervisory Board decided to let the additional income for top management continue to flow in the form of a so-called "long-term bonus." According to finance daily *Handelsblatt*, Lufthansa CEO Carsten Spohr, for example, has so far received "only" €1.676 million for 2021. The figure is made up of basic remuneration and fringe benefits. As recently as 2019, it had been almost five million euros, including bonuses.

Also, the shareholders of all major corporations are looking forward to new dividend payouts, which they expect in the spring. They rely on the functionaries of the trade unions, who co-determine their "entrepreneurial decisions" and then enforce them against the workers even in the event of mass layoffs. These bureaucrats are rewarded for their services with lucrative supervisory board positions and other additional income.

One such example is Peter Mosch, chairman of the Audi general works council and mouthpiece of the new VW boss Oliver Blume. In a recent interview, Mosch praised Blume in the highest terms: "We had an implementation problem under [former CEO] Diess. That is fundamentally changing under Oliver Blume," Mosch enthused in the *Augsburger Allgemeine*. He continued: "Mr. Blume also takes the initiative to call me. If a topic is on my mind, we get together by phone within 24 hours. That is a good sign... Mr. Blume involves the people."

Later, Mosch boasted: "We've agreed that about 9,000 jobs will be eliminated in a socially responsible way, but in exchange, about 2,000 will be created in new areas like electrification and digitization."

This bureaucrat boasts that he has ensured that 7,000 jobs will be destroyed in a "socially acceptable" manner. Mosch is also deputy chairman of Audi's supervisory board and sits on VW's global works council as well as leading committees at VW and Porsche. Presumably, he is now a millionaire.

But the working class is less and less willing to be bound and gagged by such bureaucrats. Just as in Britain, France, the US and Sri Lanka, the growing protests and strikes show that anger is mounting, not only against "capital and cabinet," but also against Verdi, IG Metall and all the unions, which isolate every labour struggle and let it die in ineffective "symbolic" actions and noisy protests, while they help enforce the attacks.

Just in the last few days, there have been numerous strikes, for example at **Amazon** in fulfilment centres in Bad Hersfeld, Dortmund, Graben, Koblenz, Leipzig, Rheinberg and Werne. They were directed against the poor pay, lack of vacation pay and very small Christmas bonuses and other anti-social practices of the online giant, which has taken exploitation to a new level. In the summer, Amazon did not even stop operations when a worker collapsed dead.

IKEA sales staff organized a one-day strike in the middle of the Christmas shopping season because the retail giant pays poorly and is threatening to cut jobs. In Europe, at least 3,500 jobs are to be cut at IKEA.

On Tuesday, about 200 employees at **Vestas** wind turbines in Aarhus, Denmark demonstrated in front of the company headquarters for better pay. In parallel, there will be a five-day strike from Monday to Friday before Christmas. At the company's German facilities, 88 percent of IG Metall members already voted for an indefinite strike for better pay at the end of October, but the union has not yet called it. Vestas Germany employs 1,700 people, including 700 assemblers.

The unions are constantly trying to divert workers' willingness to fight into harmless channels, but this does not succeed in every case. When the employees of **Riesa Nudeln** in Saxony were able to push through their wage demands in full in November after a seven-week strike, *Der Spiegel* noted in a commentary ("Proletarians of all countries: moaning was in the past!"), that times had changed because "a new generation is getting involved. Younger employees who did not consciously experience the GDR [the former East Germany] and the post-reunification period and who do not understand why they should earn hundreds of euros less than their colleagues from Bavaria or Baden-Württemberg... people born after 1990." With the strike, many "experienced something like self-empowerment for the first time."

In Saarland, where it has already been decided to close the **Saarlouis Ford plant** by 2025, the local and national media are shedding crocodile tears over the fact that workers are having "a piece of their identity pulled out from under them" (*Die Zeit*). Including the industrial park, over 6,000 jobs are to be destroyed in Saarlouis.

IG Metall is trying hard to distract attention from its own foul sellout with ridiculous actions. But fewer and fewer workers are willing to merely put protest stickers with the inscription "Without Saarlouis my last Ford" on the Ford logo of the cars they must continue producing until the bitter end.

More and more workers are joining the Action Committee for Safe Jobs—part of the International Workers Alliance of Rank-and-File Committees—which declares that "We are facing problems that we can only tackle and solve together." The Action Committee calls on workers in Saarlouis to unite internationally with their Ford colleagues and workers around the world against the corporations and take up the fight for jobs and a liveable future.