War and class warfare: A socialist strategy is needed to defend jobs in Germany

Peter Schwarz 6 March 2024

Hundreds of thousands of jobs, some of them employing highly skilled and experienced workers, are being cut in German industry, especially in the automotive and car parts sectors. But the chemical, steel, construction, household appliance and software industries as well as the retail trade and the health sector are also affected.

The corporations and trade unions, which cooperate closely in the dismantling of jobs, cite technological change to justify the mass layoffs, in particular the transition to electric vehicles and the introduction of artificial intelligence. They also point to high interest rates and capital costs, rising energy prices, and growing international competitive pressure.

However, these are only the external forms through which a more fundamental social process is taking place. The attack on jobs, working conditions and wages is part of an escalating class war, which is inextricably linked to German imperialism's revival of war and militarism in foreign policy.

Technological progress could serve to make work easier and improve the living conditions of all people. Instead, it is used to increase profits and exacerbate exploitation.

It is significant that the German stock exchange DAX has climbed from one record to the next over the last two weeks, while one piece of bad news for jobs followed the other. On March 1, it reached 17,735 points, four-and-a-half times higher than at the low point of the financial crisis in 2009 and twelve times higher than at German unification in 1990.

For a long time, this orgy of enrichment was financed by low interest rates, the inflation of the money supply by the central banks, and hundreds of billions of public funds spent on bailing out banks, COVID supports and the like. But central banks and governments have now applied the emergency brake and are demanding that these enormous sums be squeezed out of the working class.

This is behind the massive increase in key interest rates and the insistence on compliance with the debt brake, which prevents Germany's federal and local governments from borrowing to fund budgets. On the surface, this policy causes some highly speculative operations, such as the real estate group Signa, to fail. But the real purpose is to reduce wages, increase workloads and cut social spending. Twenty years after the Schröder-Fischer government's Agenda 2010, which created a huge low-wage sector, higher-income workers are now also being targeted.

This development is not limited to Germany. It is also underway in the US, all of Europe and all other advanced capitalist countries. Global corporations that maintain manufacturing facilities in dozens of countries—such as Bosch, Volkswagen and Bayer, or Stellantis, General Motors, Tesla, Google and Amazon—are relentlessly scouring the globe for the lowest wages and best profit opportunities.

The same process is behind the escalation of war and militarism. In its hunger for profit, capital has penetrated the farthest reaches of the world. It can only expand at the expense of its rivals. In place of "free trade and competition" comes the violent redivision of the world. The struggle for raw materials, markets and opportunities for exploitation is so bitter that it can only be decided militarily.

This is the significance of the wars in Ukraine and the Middle East. Never before has the world been so close to a third world war.

After the attempt to subjugate Russia failed in the First World War due to the October Revolution and to do the same to the Soviet Union in the Second World War failed due to the resistance of the Red Army, Germany and NATO are now trying for a third time. They insist that the Ukraine war must not end until Russia is militarily defeated and they have ready access to its vast territories and resources.

The situation is similar with the genocide of the Palestinians. For over 30 years, the US and its allies have been striving to reimpose their rule on the Middle East with military force. But the wars in Afghanistan, Iraq, Syria and Libya ended in debacles. The main target of their latest effort is Iran. That is why they are encouraging the far-right Netanyahu regime to crush the Palestinian resistance and set the entire region ablaze.

The long-term goal of both wars is the encirclement of China, whose rise as an economic rival is to be stopped by all means. In military circles, it is no longer a question of whether there will be a war with the nuclear-armed power China, but only when.

War and class war are inextricably linked. The same crisis of capital accumulation that drives the great powers into imperialist wars also forces them into ever sharper attacks on the working class. The massive rise in energy prices, a reason for the layoffs in the steel industry, the chemical sector and other energy-intensive sectors, is a consequence of the sanctions already imposed against Russia, Germany's most important energy supplier for five decades.

In addition, there are the enormous costs of rearmament, which are also being passed on to the working class. As soon as Germany has reached the NATO target of 2 percent of gross domestic product, there is talk of a doubling to 4 percent. That would be an additional \in 85 billion a year that would be removed from social spending. In addition, the need for soldiers is growing.

In the meantime, politicians and military leaders are openly calling for a transition to a "war economy." German history shows what this means: exploitation on an unimaginable scale.

Hitler began by crushing the labor movement and introducing forced labor for "antisocials." During the war, virtually all industrial production was based on forced labour. While German workers were put in uniforms and used as cannon fodder at the front, over 13 million forced laborers in the German Reich and another 13 million in the occupied and controlled areas worked for the German "war economy." They literally had to work themselves to death.

The most important pillar of support for the corporations and banks in the attack on jobs and wages is the trade unions. They unconditionally support the war policy of the ruling class, the NATO war against Russia and the genocide in Gaza. At the same time, they plan wage and job cuts together with the corporations and stifle any resistance to them.

IG Metall, the largest industrial union in the world, is actively promoting rearmament. At the beginning of February, in a joint position paper with the arms lobby, it called for an increase in German armament production.

"Our own defence capabilities in the land, air and sea dimensions must be further developed and, if necessary, new ones built up in order to ensure the efficiency of the industry and to increase its possibilities for development and production," said the paper, which was signed by IG Metall, the Federal Association of the German Security and Defence Industry (BDSV) and the Social Democrats' (SPD) Economic Forum.

The well-paid functionaries in the trade union headquarters view the economic situation from the same standpoint as the managers on the boards and the speculators on the stock exchange. They subordinate the needs of workers and society as a whole to the profit interests of the corporations. According to their logic, production locations and jobs can only be maintained if they are "more competitive" than those of their competitors—i.e. in a Darwinian struggle of each against all, in a merciless race to reduce wages and working conditions.

They do not oppose the "transformation," but organize it themselves and accuse the corporations of not moving fast enough. Four years ago, IG Metall and its works councils created so-called transformation atlases to push the corporations forward.

"The transformation process is in full swing and IG Metall has never stood in the way of this," explained Jörg Köhlinger, head of IG Metall's central district. Barbara Resch, who heads the IG Metall district of Baden-Württemberg, accused the metal industry of reacting too late "on some things."

Köhlinger and Resch know what they are talking about. Köhlinger's district includes Saarland, where IG Metall coorganised the closure of the Ford plant in Saarlouis with 6,000 jobs. The 11,000 jobs at the automotive supplier ZF in Saarbrücken are also at acute risk. According to Köhlinger, 30 to 40 percent of the companies in his district intend to relocate jobs.

In Baden-Württemberg, the situation is even more drastic. Of the 214,000 jobs in the automotive and parts industries, 36,000 are acutely threatened, according to a study. IG Metall and its army of works councillors and shop stewards are doing everything they can to prevent the resistance from developing into a conflagration.

The assault on jobs and wages faces widespread resistance, which will continue to grow. The same applies to the government's war policy, which is rejected by large sections of the population despite relentless propaganda. But this resistance requires a clear perspective.

• The defence of jobs must not be left to the trade unions and their works councils. They are paid henchmen of the corporations. Independent rank-and-file committees must be established to lead and coordinate the struggles in different factories, industries and countries. Such committees have already been set up among rail workers, at Ford and among postal workers. The International Workers Alliance of Rankand-File Committees (IWA-RFC) coordinates this work internationally.

• The defence of jobs and the fight against war require a socialist strategy. The needs of the working population and society as a whole take precedence over the profit interests of corporations and banks. Their dictatorship must be broken and they must be transferred to public ownership.

• The nationalist policy of the trade unions, which play off one location against another and support the war policies of the governments, must be opposed by the international unity of the working class, regardless of nationality, origin and skin colour.

Workers who want to fight for this perspective are urged to contact us today. Write a Whatsapp message to the mobile number +491633378340 or register using the form below.



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