

Massive cutbacks in the German steel industry: Build independent action committees!

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On Tuesday, April 30, around 10,000 steelworkers from Thyssenkrupp and HKM in Duisburg, Bochum, Dortmund, Gelsenkirchen, Hagen and the Siegerland and Sauerland regions are expected to gather at the MSV Duisburg stadium. At a joint works meeting, they will be protesting against the announced cuts to thousands of jobs.

There will be no shortage of radical speeches from the IG Metall union and its works council representatives. But, in reality, they are the very ones who will implement the cutbacks. The meeting will only serve to seal the deal.

The union heads have already given their approval. In mid-April, shortly after the Supervisory Board and Management Board of Thyssenkrupp Stahl announced that up to 5,000 of the 27,000 jobs in Germany's largest steel group would be cut, the IG Metall and Works Council merely demanded that "compulsory redundancies" be ruled out.

Tekin Nasikkol, former head of the Steel Works Council and now head of the Group General Works Council, declared that "we will not allow any doubts about the current collective agreement at Thyssenkrupp Steel, which excludes compulsory redundancies until March 2026." Detlef Wetzel, the former IG Metall leader and deputy chairman of the Thyssenkrupp Steel Supervisory Board, added that he would also negotiate a waiver of compulsory redundancies.

This is the mechanism by which hundreds of thousands of jobs have been destroyed in the coal and steel industries. More than half of the 179,000 jobs in the German steel industry have been lost since German reunification in 1990. Coal mining, which once employed around 600,000 and still employed 130,000 in 1990, has been discontinued.

Not a single job was destroyed as a result of compulsory redundancies. Instead, every decision to close and downsize was co-signed by the IG Metall or the IG BCE mining, chemicals and energy union. At Thyssenkrupp Stahl, too, thousands of jobs have been cut in this silent way for years—never without the assurance that plants will be retained, which is not worth the paper it is written on.

Now the next round of cuts is to be initiated. Thyssenkrupp announced on Friday that the Czech billionaire Daniel

Kretinsky and his company EP Corporate Group (EPCG) would take a 20 percent stake in Thyssenkrupp's steel business, with a view to increasing this to 50 percent at a later date.

When IG Metall and the works councils now cry out that there are still questions to be clarified, then it solely concerns their own posts and sinecures within the framework of coal and steel "co-partnership," with which the open corruption of the works council reps and trade union officials is regulated by law in Germany.

The union reps sitting on the works councils and supervisory boards receive high, up to six-figure sums per year. Things become really lucrative for them when they move from a trade union to a company board seat. Then, in the blink of an eye, some functionaries become labour directors, i.e., personnel directors, and can receive incomes running into millions. The list of those who have made this seamless transition at Thyssenkrupp and HKM is long: from Dieter Kroll (Thyssenkrupp) and Peter Gasse (HKM) to their current successors Dirk Sievers, Markus Grolms and Oliver Burkhard, to name but a few.

Now these personnel directors, together with their successors in the works councils and IG Metall, will herald the next round of cutbacks. The IG Metall and the Social Democratic Party (SPD) have a majority on the ThyssenKrupp Stahl Supervisory Board, which is chaired by former SPD national chairman and several times federal minister Sigmar Gabriel. They therefore decide for themselves whether and what will be cut.

In an interview with the regional press in February, the chairman of the Supervisory Board, Mr. Gabriel, warned the workforce, "We cannot continue as before." Thyssenkrupp Stahl needed "a fundamental reorganisation."

The steel manufacturer's main plant in Duisburg produces around 9 million tonnes of steel per year—around 2.5 million tonnes less than the site is designed for—and 2,500 jobs could be lost there alone.

Further jobs are at risk at the other sites, which either produce special steels or process the material from Duisburg. As part of the supposed "future-proofing" programme for 2020, the hot

strip mill in Bochum will close at the end of 2025 and the electrical steel mill in 2030.

Last week, it was announced that around 450 jobs are to be cut at ThyssenKrupp's steel trading subsidiary Schulte—one in five jobs in the company. The closure of several sites was also said to be “unavoidable.”

The Hüttenwerke Krupp Mannesmann (HKM) iron and steel works in the south of Duisburg is particularly at risk. Thyssenkrupp holds a 50 percent stake in the smelter, which has around 3,000 jobs, two blast furnaces and a coking plant. Other shareholders are the Salzgitter steel group from Lower Saxony (30 percent) and the French tube manufacturer Vallourec (20 percent). The latter has withdrawn from Germany and last year closed its two tube plants (formerly Mannesmann) in Düsseldorf and Mülheim/Ruhr, which once employed 2,000 people. Thyssenkrupp has not yet disclosed its plan for HKM.

What is taking place is the brutal slashing of the German and European steel industry under conditions of increased international competition and war.

The war in Ukraine has caused natural gas and electricity prices to explode, which has hit energy-intensive industries such as steel despite billions in aid from the German government.

The construction crisis in China is in turn depressing global market prices. In 2023, the country produced over 1 billion tonnes of steel, 54 percent of the world's steel, similar to 2022. However, due to the crisis in the construction sector, Chinese steel exports doubled in 2023 compared to the previous year.

Falling demand from the automotive industry, the steel industry's main customer, is primarily responsible for lower capacity utilisation in European steelworks.

Under these conditions, steel production in Germany fell to 32.8 million tonnes last year, the lowest level since the crisis year 2009, after the global financial and economic collapse.

In Germany and Europe, attempts are being made to counter global competition with so-called “green steel.” Instead of using coal, hydrogen produced with electricity from renewable energy sources is to be used in direct reduction plants to produce climate-neutral “green” steel.

This will require many billions of euros in investment. IG Metall, together with the steel companies, called for state subsidies all last year. In Duisburg last June it brought together 12,000 steelworkers to demand money for Thyssenkrupp from Federal Economics Minister Robert Habeck and State Economics Minister Mona Neubaur (both Greens).

And the unions met with success: Thyssenkrupp-Stahl receives €1.3 billion from the federal government and €700 million from the state for the construction of a direct reduction plant at the Duisburg main facility. In a few years, this will replace one of the four remaining blast furnaces, i.e., just a quarter of production.

The HKM plant in Hüttenheim and the Duisburg steelworks

of Arcelor Mittal have not yet received any subsidies.

The steelworkers at Thyssenkrupp, HKM, Salzgitter, Arcelor Mittal, Georgsmarienhütte, etc., are confronted with a united front of the corporations, government parties, IG Metall and works councils.

Like all other trade unions, IG Metall supports the government's pro-war policy. Immediately after the start of the war in Ukraine, IG Metall Baden-Württemberg and the employers' association Südwestmetall announced in a joint statement: “These measures will demand sacrifices from all of us.” This is why the IG Metall joined the “Concerted Action” convened by Chancellor Olaf Scholz (Social Democrats, SPD) last year to discuss how the billions in war costs could be passed on to the working class.

Together with the defence industry, it has called for the strengthening of the domestic war goods and armaments industries. Oliver Burkhard, a former trade union official, is now the head of one of Germany's largest defence companies, namely Thyssenkrupp Marine Systems (TKMS).

The IG Metall works council reps will take on the task of dividing the workforce by group and plant in order to secure the profitability—they call it “competitiveness”—of their own factory.

As long as these activities are not stopped, the defence of jobs and plants is impossible. The steelworkers in Duisburg and elsewhere have made painful experiences. Conclusions must be drawn from this. Jobs with adequate wages can only be defended against IG Metall, not with it.

It is also not enough to replace one or two corrupt heads at the top of trade unions and works councils. The transformation of the trade unions into a corporate police force and the merging of the upper echelons of the trade unions with the state and company boards cannot be reversed.

It is not the “reform” of the trade unions or the replacement of their leaders that is the task of the hour. The internationalisation of the corporations and the threat of war make it necessary to set up rank-and-file action committees independent of the unions in all corporations at all locations. These must network with each other and organise the struggle—in Germany, Europe and internationally.

We call on all workers at Thyssenkrupp and the other steel companies to make contact with us. Send a WhatsApp message to +491633378340 or register now using the form below.

Join in the International Committee of the Fourth International's online May Day rally on Saturday, May 4, where speakers from around the world will address these issues. The rally will be streamed live at [wsws.org/mayday](https://www.wsws.org/mayday).



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