

Job massacre in Germany: A declaration of war on the working class

Dietmar Gaisenkersting**25 March 2025**

War abroad necessitates war at home. At the same time as the German ruling class prepares its third bid for world power with war credits amounting to at least one trillion euros, big business has declared war on the working class. Following the agreement by the conservative CDU/CSU, Social Democratic Party and Greens to finance the biggest rearmament program in Germany since Hitler, massive job cuts have been announced, particularly in the country's industrial sector.

For some time now, there has been a marked increase in the announcement of austerity and cutback programs. Above all, carmakers and their suppliers are carrying out a jobs massacre. Schaeffler, Continental, Bosch, ZF and Ford have all announced the elimination of several thousand jobs. Germany's largest steelmaker, Thyssenkrupp Steel, plans to wipe out 11,000 jobs. At the Krupp Mannesmann steelworks, 3,000 steelworkers are facing redundancy and the giant chemical company BASF has cut 2,500 jobs in Ludwigshafen.

Shortly before Christmas, Volkswagen announced that it would cut more than one in three jobs at its German factories, i.e., 35,000 from a total of 120,000. VW has played a pioneering role in the largest downsizing in the auto industry since the Second World War. Meanwhile, Mercedes has decided on a similar cuts package with talk of 15,000 jobs being axed. Audi is cutting up to 7,500 jobs, with 1,900 jobs on the chopping block at Porsche.

In the space of just three days, the following downsizing has been announced. Bear in mind this list is incomplete:

- Siemens: minus 6,000 jobs, similarly
- VW subsidiary Autovision: -2,400
- VW subsidiary Cariad: 1,600
- Biontech: 1,350
- Bosch: 550
- Puma: 500
- Automotive supplier Borg-Warner: 400
- TDK Heidenheim: 300
- BP Germany: 300
- UPM paper mill in Ettringen: 235

- Outokumpu Krefeld: 200
- Konradin printing company near Stuttgart, insolvent: over 100
- Iron foundry Teutoguss and Lüneburger Eisenwerk (Focast Lüneburg), insolvent: almost 200

The reduction in industrial jobs is enormous, but not limited to that sector, reports the *Tagesschau* newspaper based on info from the Munich-based economic research institute ifo. The service industry is also planning to cut jobs. In particular, IT service providers are said to be "slamming on the brakes." Companies in the retail sector are also planning job cuts. Even in the construction industry, "a slight tendency towards fewer employees" is said to prevail.

In the public sector and at the post office, the leadership of the public service union Verdi is currently trying to impose cuts to wages and jobs on behalf of the governing parties.

Most of the corporations announcing job cuts are not even in the red. They are not suffering losses, just less in the way of profits. At Porsche, profits fell by 30 percent compared to the previous year, but still amounted to around 3.6 billion euros.

Audi's profit declined by a third to 4.2 billion euros. The main reason for the decline was the high costs of closing its plant in Brussels, where over 3,000 employees lost their jobs.

Siemens is cutting jobs primarily in its automation division because profits there fell by a third. But here, too, there were no losses. Moreover, this had no serious impact on the group's overall profit level. In the past fiscal year (to September 2024), it reached 9 billion euros, more than ever before.

VW is also a prime example here. Its profits are neither higher nor lower than in previous years, but are still too low for the company's main shareholders – the Porsche and Piëch families and the sheikhs from Qatar. They want even bigger returns. That is why they have insisted on plant closures and big wage cuts.

This offensive by the corporations in the interest of the oligarchs and shareholders would not be possible if they did

not have the active support of the trade union apparatus, above all the engineering union IG Metall. It vehemently supports the government's war credits and rearmament program. The union's nationwide day of action last Saturday was aimed at demonstrating this.

At a company level, they enforce the demand for profit maximization with the methods of "social partnership" they have refined over decades against the workforce. Whether at VW, Audi, Mercedes, Siemens, Bosch, Thyssenkrupp – everywhere the union stifles opposition in the factories and work closely together with the corporate bosses.

What the IG Metall chiefs describe as the "fight against job destruction" in their soapbox speeches is in fact the opposite. When they negotiate social tariffs with the corporations, they have long since accepted the job cuts. The only question is how the jobs will be destroyed, not whether they will be destroyed.

In this way, the union leaders are lining up in the common front of big business and political leaders against the working class. Precisely because those in power know that they can rely on their union bureaucrats, they are now going all out. They want to use the new federal government to turn back the wheel of history. There is hardly a politician or business representative who does not blurt out demands for cuts in conditions and wage reductions into the nearest microphone.

This week, Focus magazine presented a list of ways in which the costs of armaments and war could be squeezed out of the population directly. According to the Focus editor, Germany could "renew its infrastructure and upgrade its military" without "mega debt." But to do that, the new government would have to decide on "uncomfortable measures." These include:

1. Increasing pension contributions: each percentage point would generate an additional 19 billion euros in revenue. If the government lowers the pension level by one percentage point, spending would fall by four billion euros.

2. Banning direct visits to specialist doctors, reintroducing practice fees and variable insurance rates would force a "two-tier medical system" but save money.

3. A highway toll for all drivers would bring in 30 to 40 billion euros a year.

4. Cancellation of the building energy law would bring in around ten billion euros.

5. Cancellation of the renewable energy law or the transfer of costs to consumers would bring in around 18 billion euros.

6. The elimination of environmentally harmful subsidies, such as the reduced VAT on meat and dairy products, would yield more than 5 billion euros.

The discussion sparked by CDU leader Frederick Merz

and the CDU/CSU about cuts to Citizen's Income is not primarily about potential savings. In this case, billions would be squeezed out of society's poorest in order to fill the pockets of the country's billionaires. To this end the ruling elite plans to enforce and step up the Hartz IV laws introduced 20 years ago to force the unemployed into any job, however poorly paid.

The Hartz "reforms" established a huge low-wage sector. Former, reasonably well-paid industrial workers were forced to switch to low-paid jobs, such as parcel delivery drivers.

The hundreds of thousands of industrial workers who are currently losing their jobs are to be forced by the planned coercive measures to switch to low-wage work or to the unpopular arms industry.

The VW plants facing closure will also be sold to the arms industry – with the help of IG Metall, which supports this "transformation." As early as the Second World War, VW built the Kübelwagen from 1940 and then the Schwimmwagen from 1942. By the end of the war in 1945, the factory had produced a total of 66,285 vehicles for Hitler's army and increased its turnover tenfold from 1940 to 1944 alone.

The leaders of IG Metall and the other trade unions are using their apparatus to once again enforce austerity, exploitation and war. To counter this, new organizations of the working class must be built, independent action committees in which trustworthy employees can discuss joint action, network with colleagues from other plants, other sectors and other countries, and exchange ideas in order to assert their interests against those of the shareholders, managers and union officials.

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