Industrial conglomerate ThyssenKrupp to be broken up

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The term “locusts” is often used to describe financial holding companies that attack large corporations, breaking them up, filleting and plundering them, leaving a trail of devastation for employees and billions in profits for shareholders.

Last week, ThyssenKrupp, one of the world’s largest steelmakers, announced it was planning to become its own locust. According to the corporation, the strategic goal was to “gradually make all business areas independent and open them up to the participation of third parties.”

ThyssenKrupp is currently divided into five divisions: Steel, Automotive Supply, Materials Trading, Naval Ships and Green Technologies. Now the company is to be transformed into a holding company without its own business, which will hold shares in the five independent concerns. The shareholders were delighted. At times, the share price rose by almost 9 percent on the stock exchange.

But in order to become at all interesting for “third parties,” the individual divisions would have to undergo major restructuring so that they generate high profits. The approximately 96,000 employees will be made to pay for this.

The IG Metall union, as always, feigned surprise and demanded to be more closely involved in this process. In the past, it has agreed to the reduction of every job and the sale and closure of every plant. The union’s standard operating procedure is to stage vociferous protests in which the willingness to fight and anger of the workforce find an outlet, before calmly signing the death warrant for jobs and entire plants back at the “negotiating table.” And this is what the IG Metall functionaries and their works council representatives, who sit on all the most important company committees, are planning now at ThyssenKrupp.

In principle, they have already agreed to the reorganisation: “The employee representatives do not stand in the way of a sensible strategic realignment,” wrote the Group Works Council and IG Metall in a joint statement. However, this required “certain guidelines ... in order to develop prospects for the affected businesses and secure jobs in the long term.”

Tekin Nasikkol, chairman of the Group Works Council, is demanding “more sensitivity from the Executive Board in dealing with the people working in the company.”

Jürgen Kerner, second chairman of IG Metall and deputy chairman of the ThyssenKrupp Supervisory Board, emphasised “that we are prepared to break new ground and even jump over our shadows.” We have “proven this often enough,” he added. “But we reject the idea of filleting the Group and gradually floating it on the stock exchange—without [!] a vision for the future with prospects for employees and sites in all areas.”

The union apparatus will demand that it be allowed to help craft this “future vision” in the coming months so that the reorganisation on behalf of the shareholders succeeds. It will then once again announce it has agreed to the “exclusion of compulsory redundancies” and some vague “prospects” for the various sites—and then help push through the attacks on the workforce. This is what works council chairman Nasikkol meant by “sensitivity” in dealing with the employees.

This is already taking place in the steel and automotive supply divisions. In the steel division, 11,000 of the 27,000 employees are to lose their jobs over the next five years. The closure of the plant in Kreuztal-Eichen in the Siegerland region with around 600 employees, which was announced last autumn, was only recently suspended. Instead, one of the two steelworks in Bochum was to close earlier than originally planned, in 2030. It is now uncertain what will happen to the workforces at the smaller steelworks.

However, it is becoming apparent that the Krupp Mannesmann steelworks in the south of Duisburg, which employs 3,000 people, has no chance of survival. Thyssenkrupp, which holds half of the shares in Hüttenwerke Krupp Mannesmann (HKM), wants to sell it off. The steel group Salzgitter still holds 30 percent and the French group Valourec, which is withdrawing from Germany, holds 20 percent. Because a sale of HKM failed, the IG Metall and ThyssenKrupp management are now trying to organise the closure via a so-called “social contract,” the vehicle by which the unions have already helped corporations organise plant closures and the loss of tens of thousands of jobs.

One fifth of ThyssenKrupp’s traditional steel business has already been sold to the Czech billionaire Daniel Kretinsky. Negotiations are continuing on the sale of a further 30 percent to his EPCC holding company. Among other things, the billionaire is apparently worried about the steel group’s pension obligations, i.e., the lavish payments for former managers and board members and the measly company pensions for workers.

Furthermore, it is not clear whether steel production would even be secure in the long term. Currently, two of the four blast furnaces are to be shut down. The federal and state governments have promised the company €2 billion in subsidies for the construction of a hydrogen-powered blast furnace for climate-friendly “green” steel production. It is unclear whether this would also apply under the planned changes.

A hiring freeze, cost reductions and further “portfolio adjustments and restructuring within the businesses” were also announced some time ago in the automotive supply division, which currently employs almost 31,000 people.

Asked by regional newspaper WAZ whether this division, which is small compared to the competition, would not immediately become a takeover candidate, ThyssenKrupp CEO Lopez made it clear that further attacks on the workforce would follow: “I am firmly convinced that Automotive Technology has excellent opportunities on the market as a focussed, agile company. But it is also clear that we have to make an effort and make it fit as well.”

Just a month ago, ThyssenKrupp announced the closure of the spring-making plant in Hagen with 300 employees by 2027. “I assume that we will manage this fairly,” said Jens Mütze, of IG Metall Hagen.

Following the reorganisation, only 100 employees would remain at the Group headquarters, down from the current 500, and around 1,000 administrative jobs are also to be cut.

The materials trading arm with 16,000 employees is to be floated on the stock exchange, as are all other divisions. Based on comments by a “high-ranking manager,” the tabloid *Bild* writes that the planned IPO of the materials trading division made no sense, as this arm was not very profitable. According to *Bild*, parts of the automotive supply division were also to be closed or sold. “In the end, ThyssenKrupp will practically be dissolved,” the newspaper quoted its “Group insider” saying.

The relatively new “Decarbon Technologies” division, which develops climate-friendly future technologies, was to become independent “in the long term.” Before this happens, “the markets for green technologies should have picked up speed accordingly” so that share proceeds can also bubble up here.

The IPO of ThyssenKrupp Marine Systems (TKMS), a submarine and warship manufacturer, is to be finalised this year through the transfer of shares to existing shareholders. Global warmongering has turned the division, headed by former North Rhine-Westphalia IG Metall district secretary Oliver Burkhard, into a potential goldmine for shareholders. However, to ensure this it must be independent and not have to offset its profits against the losses in the steel and automotive businesses.

TKMS order books are bursting. In the first half of the financial year alone (up to March 2025), the global market leader in conventional submarines booked orders totalling more than €5.5 billion, a good eight times as much as in the same period last year.

Further orders have since been received. Following the construction of four submarines for Singapore, the city state has ordered two more. TKMS shipyards are working at full capacity until the 2040s. Burkhard is therefore having the former Wismar shipyard refitted, where Disney cruise ships used to be built. He is also seeking partnerships with other European defence and shipbuilding groups. TKMS has already signed a letter of intent with Saab Australia for co-operation in the frigate sector.

IG Metall, which supports the pro-war policy of the German government under Friedrich Merz (Christian Democrat, CDU), insists that the state should take over the defence company TKMS. In an interview with the *Frankfurter Allgemeine Zeitung*, District Director of IG Metall Coastal Daniel Friedrich asked rhetorically. “Does the government want to leave the consolidation of naval shipyards to the market or organise it itself?” On Thursday, he sent an email to Chancellor Merz, Finance Minister Lars Klingbeil (Social Democrat, SPD), Defence Minister Boris Pistorius (SPD) and Economics Minister Katherina Reiche (CDU) appealing to them to decide in favour of the state taking a stake in TKMS in the next two to four weeks. Otherwise, the path to an IPO was irreversible, warned Friedrich.

A state takeover of the naval and steel divisions, as IG Metall and its works council reps are promoting, would serve the military build-up and not save jobs. Jobs cannot be defended by switching to armaments production. This only serves to prepare for wars that threaten the lives of millions of workers and their families. Conversely, the defence of jobs is directly linked to the fight against rearmament and militarisation.

The IG Metall apparatus stands on the opposite side, as it has demonstrated several times in recent weeks and months. At the national IG Metall day of action it cheered on the Merz government’s pro-war policies, while on the ground it uses “social contracts” to slash jobs and close down factories.

That is why new organisations of struggle must be set up, rank-and-file action committees that unite all workers and overcome the divisions between different locations, companies and nations.

We call on all ThyssenKrupp workers to participate in building action committees. All areas must stand together and make contact with their colleagues in other sectors and countries who—as in the automotive industry—are facing the same attacks. This is the only way to defend jobs, wages, working conditions and workers’ rights in principle.