

As the country returns to the traditions of the Nazi war economy

German arms manufacturer Rheinmetall begins mass production of ammunition

Florian Hasek
5 September 2025

While thousands of jobs are being destroyed in Germany every month in civilian industry, the arms business is generating fantastic profits.

The share price of Rheinmetall, Germany's largest arms manufacturer, for example, has risen by almost 2000 percent since the beginning of the Ukraine war. From under €100 [\$US117] before the war, it has at times soared to €1,900. In 2024, the company recorded revenues of just under €10 billion, 36 percent more than the previous year. For the current year, a further increase in revenue of 25 to 30 percent is expected.

Rheinmetall is expanding broadly both in Germany and internationally. The arms firm no longer only produces tanks, cannons and other weapons of war in preparation for conflicts but is now manufacturing ammunition on a large scale for waging war.

On August 27, Defence Minister Boris Pistorius, together with Finance Minister Lars Klingbeil, NATO Secretary-General Mark Rutte and Rheinmetall CEO Armin Papperger, inaugurated Europe's largest munitions factory in Unterlüß, Lower Saxony.

Construction of the plant began in February 2024. Covering an area of around 30,000 square metres, it is intended to meet a demand for weapons not seen in Europe since the end of the Second World War.

The factory is already expected to produce 25,000 pieces of artillery ammunition this year. By 2027, annual production is to rise to 350,000 shells. From that year onward, Rheinmetall aims to produce around 1.5 million shells per year. By comparison: in 2022, the company manufactured just under 70,000 artillery shells annually.

As of 2026, the Unterlüß facility is also to begin producing rocket engines, with Rheinmetall aiming to

build around 10,000 rockets a year on this basis.

The massive expansion of war production is not confined to Unterlüß. A new munitions plant is already confirmed for Bulgaria. In Hungary, the joint-venture munitions factory whose construction began in 2022 is being expanded, with the aim of producing medium- and large-calibre ammunition, including for the Leopard 2 tank and the Panzerhaubitze 2000 self-propelled howitzer.

In 2024, a tank plant was opened in western Ukraine in collaboration with the Ukrainian defence industry. In addition to repair work on damaged vehicles, tanks such as the Lynx infantry fighting vehicle are now being produced there. In 2026, a munitions plant is also to be opened in Kiev.

The goal is to supply the Ukrainian army more quickly with ammunition and tanks in order to inflict a military defeat on Russia.

In Germany, Rheinmetall is currently converting two of its civilian factories to military production. A Berlin plant that previously produced components for the automotive industry has been manufacturing armaments since July 1. Conversion of its plant in Neuss is under preparation.

Several German companies in the automotive and supplier industries have announced shifts from civilian to arms production. Volkswagen, for instance, is in talks with Rheinmetall about converting its Osnabrück plant to tank production.

Alstom recently sold the Bombardier plant in Görlitz to the arms company KNDS. The 170-year-old production of railway wagons and vehicles is being terminated, with military equipment for the Ukraine war soon to be manufactured there instead.

ZF Friedrichshafen is also offering its sites for arms production and is converting capacities, for example for military drive systems.

These developments leave no doubt that Germany and Europe are once again moving towards a war economy.

According to official propaganda, the massive expansion of the arms industry serves only defence and deterrence. But the gigantic production capacities for artillery ammunition alone show that the aim is not deterrence, but warfare. The German military is to be enabled to wage war against Russia for years to come.

Returning to the traditions of the Nazi war economy

With this extreme expansion of arms production, Germany is returning to the Nazi war economy. Rheinmetall, then known as Rheinmetall-Borsig, made massive profits under Hitler and by 1937 was the Third Reich's second-largest arms manufacturer.

Rheinmetall is not only continuing economically where its predecessor left off. The new munitions factory stands on the same site where Rheinmetall-Borsig murdered hundreds of forced labourers during the Second World War, and where even the newborns of Jewish concentration camp workers were killed.

Built in 1899, the plant already played an important role in the First World War and was among the largest artillery producers under Kaiser Wilhelm II (reigned 1888 to 1918).

During the Weimar Republic era (1918-1933), the factory was partly switched over to civilian production. But this changed quickly with the Nazis' coming to power in 1933. The Unterlüß plant was massively expanded. With the outbreak of World War II, it again became a central production site for artillery ammunition.

In Unterlüß, Rheinmetall made use of forced labourers from early on in the war, especially prisoners of war and abducted civilians from Poland, the Soviet Union and France, later also from Italy. As German workers were increasingly drafted to the front, forced labourers, including women and young people, took over production. By 1943, several thousand forced

labourers were already working at Unterlüß.

Working and living conditions were brutal. Twelve-hour shifts, often seven days a week, malnutrition, rampant disease and constant abuse by guards led to the deaths of countless workers.

In September 1944, the SS set up a satellite camp of the Bergen-Belsen concentration camp on the factory site. Several hundred Jewish women and girls were housed there and forced to work in the munitions plant under extreme conditions.

According to current research, it is thought that between several dozen and over 100 people were murdered before the surviving inmates were transferred to the main Bergen-Belsen camp in April 1945. There is also evidence and testimony indicating that newborns were systematically murdered—either through deprivation of food or direct killing by camp guards.

Now, 80 years later, shells and rockets are once again rolling off the assembly lines at the same site, and German imperialism is once again preparing to use them against Russia.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact