BMW cuts 8,000 jobs in Germany

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As the last of the major German carmakers, BMW has now joined the ranks of corporations destroying jobs on a massive scale. The IG Metall union has agreed with the group's plan to cut around 8,000 jobs, press agencies reported on Wednesday. That would amount to almost one in 10 of the total of 84,000 positions in Germany. Since the cuts are to affect almost exclusively positions outside production—in group administration or the Research and Innovation Centre (FIZ)—they will above all hit employees at the company's Munich headquarters.

The auto manufacturer cited collapsing profits as the reason. Sales and revenues are plummeting, above all due to sharp falls in China, most recently by almost a third.

Last Thursday, one day after the job cuts were revealed at works meetings, the group announced that it had managed to pocket "only" €1.2 billion in post-tax profit in the second quarter—35 percent less than in the same period the previous year. Revenues fell in this period from €34 billion to €31 billion. Looking only at the automotive division, the collapse is even greater: profits there fell by more than 60 percent to €629 million. BMW thus earned more from its financial services in the past quarter than from manufacturing cars.

It was only in mid-May that Milan Nedeljkovi?, until then production director, took over as chief executive from the long-serving corporation head Oliver Zipse, who had always presented BMW as a model company in the automotive sector. It was one of the first manufacturers to develop electric models and has pursued a twin-track strategy of combustion engine and electric vehicles to this day. At the end of November 2025, Zipse declared, "I would not want to speak of a crisis—at least not for BMW." As recently as the presentation of the quarterly results at the end of March, Zipse stated that BMW had "stayed on course" and was "ideally positioned to reap the rewards."

Just one month later, his successor, Nedeljkovi?, issued a profit warning, announcing that additional savings were needed. The ongoing cost-cutting efforts—including the elimination of 3,000 positions—were to be "intensified and accelerated."

At the works meeting in Munich on Wednesday, Nedeljkovi? said, "We must ensure that our company becomes profitable and competitive again." Neither "protectionism nor the serious market changes will disappear again." The rules of the game in the car market had fundamentally changed, he added, and with them the entire business model.

What has not changed is the absolute orientation of all production towards profit in the interests of shareholders and the financial markets. Since the start of the year, BMW shares have lost almost a third of their value, with the decline accelerating in June following the profit warning.

Until the end of 2023, BMW had been able to report a profit rate of 10 to 12 percent. In the two years that followed it fell to the most recent figure of 5.3 percent. This year, a margin of only 1 to 3 percent is expected—bringing a profit of "only" €5.45 billion.

That is far too little for the financial markets and shareholders. Stefan Quandt and Susanne Klatten, whose multi-billion-euro family fortune goes back to collaboration with the Nazis, together hold almost half of BMW's ordinary shares. To continue growing the wealth of the two Quandt heirs, currently around €45 billion, the axe is to fall on the workforce.

In recent weeks, BMW chief Nedeljkovi? and central works council chairman Martin Kimmich have worked with their teams to prepare a severance programme for all German sites. Before long, 40,000 employees in Germany—almost one in two—are to be offered a severance package. The first departures are to begin as early as October. The programme is intended to run until the end of next year.

The *Süddeutsche Zeitung* reported that neither Nedeljkovi? nor Kimmich had mentioned the figure of 8,000 jobs to be cut, as reported in the press, at the works meeting. Who knows how many jobs will ultimately be destroyed?

Yesterday, business weekly *Wirtschaftswoche* reported that from April 2027 there would be only 35-hour contracts for skilled staff and specialists. Employees on 38- or 40-hour contracts had to expect pay cuts. The magazine spoke of “thousands” being affected.

The political establishment and the media have praised the quietly managed way in which the “workforce restructuring programme” was drawn up. Munich Deputy Mayor Verena Dietl (Social Democratic Party) praised the fact that BMW had, “unlike many competitors,” evidently succeeded in reaching a good compromise between group management and the works council, “agreeing on it almost noiselessly.” She added, “For me that is a model.”

Bavaria IG Metall district secretary Horst Ott also provided reassurances, saying, “BMW is now responding to the collapsing market in China and working in parallel to strengthen the competitiveness of the German sites.” The cuts were being carried out “using the instruments of the enterprise parties.” Collectively agreed rules were not being called into question.

This once again demonstrates that the IG Metall apparatus and its highly paid officials view corporations and jobs from the same perspective as the company leadership and shareholders. For both blue- and white-collar workers, the job is the foundation of their livelihood. For company leaders, IG Metall officials and works council leaders, it is a cost factor. If the profit margin no longer holds up, costs must be cut, jobs destroyed, wages reduced and speedup intensified.

In one auto corporation after another—VW, Ford, Audi, Mercedes, most recently Porsche and now BMW—works council leaders and union apparatchiks like Ott are pushing through these attacks on the workforce in order to raise profit margins and enrich shareholders. While they mouth platitudes about “social partnership” and “co-determination,” hundreds of thousands of jobs are being destroyed in the automotive industry alone.

It is the union leaders and their plant representatives who plan and organise the cutbacks at workers’ expense—all in the interests of competitiveness and supposedly preserving plants.

Yet automotive workers in Italy, France, Eastern Europe, the United States, China and numerous other countries face the same attacks as their colleagues in Germany—often from the very same corporations. More than 150,000 work for BMW worldwide, including in China, the United States, Britain and many other countries.

In an earlier article, we emphasised that IG Metall’s policy on preserving production sites does not save jobs but destroys them. “It pits the workers in one factory against those in all the others. It divides them by location and country, rather than uniting them. It is this very policy that enables the corporations to carry out their cutbacks in the first place.”

The production site policy reflects the social position of the trade union bureaucrats and works council grandees, who often earn several times as much as an ordinary worker and stand far closer to managers and shareholders than to those they supposedly represent. While the IG Metall apparatus swears by co-determination and social partnership, workers’ jobs, incomes and social rights can be defended only by the methods of class struggle—all the more in times of crisis such as now.

Millions of workers worldwide are losing their jobs. Education, healthcare and social systems are being dismantled everywhere. Trillions are being channelled into rearmament and war. Capitalism is no longer compatible with the living needs of working people.

Jobs can therefore be defended only on the basis of a perspective that takes up the struggle against this murderous social system. What is necessary is the founding of rank-and-file action committees in all workplaces, to wage the fight in defence of jobs independently of and against the trade union apparatus. IG Metall bureaucrats who collude with management have no place in these action committees.

The action committees must proceed from the principle that workers’ rights take precedence over profit interests, defending every job. They must build links with one another and unite workers across individual plants and other countries. To this end, the Sozialistische Gleichheitspartei (Socialist Equality Party) and the International Committee of the Fourth International (ICFI) have established the International Workers Alliance of Rank-and-File Committees (IWA-RFC).

We call on BMW employees to contact us. Place no trust in the works council leadership around Kimmich and the IG Metall apparatus around Ott. Prepare with us for the defence of jobs. The elimination of 8,000 positions just announced is only the beginning.

Fill in the form or send a message via WhatsApp to +491633378340.