# Germany’s steel summit: Corporations and IG Metall union gear industry to war production

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The steel summit held in Salzgitter last week has shown once again that the IG Metall union and the steel corporations are agreed on securing corporate profits through trade war and war. Steelworkers are paying the price with their jobs, with social cuts and—in the event of war—with their lives.

On November 16, representatives of the corporations, the IG Metall union, the federal government and several state governments met in Salzgitter. They included Federal Economics Minister Katherina Reiche (Christian Democrats, CDU), state Premiers Olaf Lies (Social Democrats, SPD; Lower Saxony) and Hendrik Wüst (CDU; North Rhine-Westphalia), as well as Salzgitter Stahl AG chief Gunnar Groebler and IG Metall second chairman Jürgen Kerner.

The 11 federal states belonging to the “Steel Alliance,” the German Steel Federation (Wirtschaftsvereinigung Stahl), and the union handed Minister Reiche a joint position paper calling on the government to support the steel corporations in the global competitive struggle—with billions in subsidies and trade war measures. In front of the plant gates, IG Metall had more than 2,000 workers demonstrate for the protection of corporate profits. They chanted demands such as “Five cents now!” “Green raw materials markets now!” and “Local content now!”

IG Metall is demanding an industrial electricity price of no more than five cents per kilowatt-hour, while the wholesale exchange price averaged 10.8 cents over the first nine months of this year. The difference is to be paid to the corporations out of taxpayers’ money. Jörg Köhlinger, district head and chief negotiator for IG Metall’s Central district, demanded, “The industrial electricity price must be reduced significantly so that competitive conditions can be created.” What was at stake, he said, was resilience against competition from Asia in the form of cheap Chinese, Indian or Turkish steel.

Taxpayers’ money is also to finance the “green raw materials markets.” The state is to commit itself to buying steel or steel products from German and European corporations (local content) that are no longer produced using coal but electricity. Steel from China, India and other countries is to be hit with high tariffs.

Since July 1, the EU has already limited steel imports to just 18.3 million tonnes a year, 47 percent less than before. Imports above that level are subject to an additional tariff of 50 percent.

The federal and state governments have also committed themselves to supporting the steel corporations with record sums running into billions of euros for investment in the switch to “green” steel production.

Mirze Edis, a works council member at Hüttenwerke Krupp Mannesmann (HKM) for three decades and now also a Bundestag (parliament) deputy for Die Linke (Left Party), recently bluntly stated that national production was important above all for the war industry. “We are currently experiencing how a new world order is emerging. It would be fatal if we were to give up important value chains of industry right now or let ourselves be controlled remotely at this point. We need secure, green steel production in Germany.”

Against the background of escalating trade wars and military conflicts, the switch to green steel serves less to protect the environment than to convert industry to a war economy and to subsidise profits with taxpayers’ money. This does not protect jobs; on the contrary, they are being destroyed even faster in order to build an effective war machine. And building the defence of jobs on war, and thus on mass murder and death, is no alternative.

The problem of finding buyers on the world market is also becoming more acute. Salzgitter wants to sell the first green steel from its new plant next year, but this production method remains far too expensive for the international market. Moreover, the hydrogen that can be produced in Germany is insufficient for larger volumes.

Thyssenkrupp has already postponed its switch to green steel production by two years, to 2029. The direct reduction plant is then to run on natural gas for its first two years and to use green hydrogen generated from renewable electricity only from 2031.

One thing is clear: without permanent subsidies, none of this will turn a profit. IG Metall and the corporations are therefore demanding state funds. This has nothing to do with the interests of steelworkers or with protecting the environment. The IG Metall apparatus subordinates both to the war policies of the federal government. The union and corporations are at one on

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this: both are banking on trade war measures and subsidies and are demanding the total integration of the steel industry into the government's war policies.

Lower Saxony's State Premier Lies openly said as much in Salzgitter. In the course of investment in infrastructure and armaments, he said, demand was rising, and the quantities required had to come securely from Germany or Europe, preferably climate-neutral. He called the steel industry a "guarantor of resilience." This catchphrase, which IG Metall also uses constantly, describes the new business basis of steel policy.

Tanks, warships and munitions need steel—and a special kind of steel at that. Anyone wanting to supply armour-grade steel needs approval from the Bundeswehr (armed forces), which is granted only after extensive firing and blast tests in Meppen in Lower Saxony.

Only a few plants in Europe can clear this hurdle. As early as 2025, Rheinmetall reported that its demand for armour-grade steel—several thousand tonnes a year—had doubled within two years. Thyssenkrupp had previously discontinued production of armour-grade steel, and the arms manufacturer was dependent on imports, mainly from Sweden. Salzgitter has since had its own armour-grade steel approved after two years of testing.

Since the government is rearming on a scale not seen since Hitler, IG Metall and the steel corporations argue that it must not make itself dependent on steel supplies from countries that could be its opponents tomorrow. The steel for tanks, frigates, fighter jets and missiles, they say, must come from domestic plants.

This is supposed to open up a lucrative market for the industry. The state must guarantee purchases and payments for years to come, demands IG Metall, which euphemistically describes the rearming state as an "anchor customer." This suits the industry, because its traditional business with the car industry and mechanical engineering is in crisis. From 2024 to May 2026, the EU steel industry was operating at no more than 67 percent of capacity. Since 2008, almost 100,000 jobs have been destroyed in European crude steel production—one in four.

In Germany, the great die-off of steelworks began as early as 1990. At that time, 175,000 people were still employed in the industry; today there are only 78,000—and almost all these jobs are at risk.

At Thyssenkrupp Steel, IG Metall has already agreed to the destruction of 11,000 of the 27,000 jobs. This figure also includes 1,500 of the 2,000 jobs being eliminated at HKM, which Salzgitter has taken over from Thyssenkrupp. Salzgitter agreed the cutting of the 2,000 jobs with IG Metall in a restructuring programme that runs until the end of 2028.

At the steel summit, IG Metall is co-signatory to a paper intended primarily to lower the corporations' operating costs: cheap electricity, protection from imports and subsidies. This does not secure a single job but rather guarantees the corporations' profits and dividends. At the beginning of the year, Thyssenkrupp approved a total dividend of €93.4 million in parallel with massive job cuts.

The IG Metall apparatus has worked hand in glove with the steel corporations for years and will continue to do so. In Salzgitter, Kerner spoke of the steel industry being in the "Schockraum"—the resuscitation suite of a hospital emergency department. Workers employed in the most modern plants had to fear for their jobs, he said, and trade policy alone was no guarantee of the European steel industry's survival. In other words, the steel industry must be rescued by the state and war production.

The Salzgitter summit was intended to align the steel industry with war production. The state secures the steel corporations' profits with investment, subsidised energy prices, tariffs and guarantees. The union secures industrial peace in the workplace.

That is what will be at stake when representatives of the steel corporations and IG Metall meet for collective bargaining on December 18. IG Metall will drop even its pitiful demand for a 5 percent pay rise for steelworkers and trade it off against "job security," "investment" and "competitiveness." It will urge the government to underwrite the steel corporations as "guarantors of resilience"—in other words, of German war-readiness.

The struggle for raw materials, markets and spheres of influence is once again being fought out violently—as in the First and Second World Wars. By closing ranks with the government and the steel corporations, IG Metall is not only sabotaging the defence of jobs but also making itself an accomplice of the warmongers.

In the age of globalisation, defending jobs and social rights requires an international strategy. Workers in the US, China, Asia, Africa and Europe are not the opponents of German workers, but their allies. Their jobs, wages and social rights are under attack because capitalism is mired in a hopeless crisis worldwide.

It is necessary to found rank-and-file action committees in all workplaces, to make contact with colleagues in other plants and countries and to organise the fight for every job, every euro of wages, every social gain and, above all, against war. Send a WhatsApp message to the mobile number +491633378340 and register immediately via the following form.




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