

Thyssenkrupp: IG Metall agrees to thousands of job cuts

Dietmar Gaisenkersting
28 June 2024

Germany's biggest industrial trade union, IG Metall, has agreed with the supervisory board and executive of Thyssenkrupp to cut several thousand jobs in the company's steel sector.

Thyssenkrupp spokespersons had already announced the job cuts along with the engagement of the Czech billionaire Daniel Kretinsky in Thyssenkrupp's Stahl AG at the end of April. At that time, IG Metall had taken to the barricades, assembling several thousand steelworkers from various factories in front of the ThyssenKrupp steel headquarters in the north of Duisburg and the head office in Essen to listen to the bluster from the works councils and IG Metall.

The protest, however, had nothing to do with the planned destruction of the livelihoods of thousands of steelworkers and their families. It was aimed at preserving the lucrative posts of the union bureaucrats in the joint venture that will be created when Kretinsky's EP Corporate Group (EPCG) takes over 50 percent of ThyssenKrupp's steel shares. The bureaucrats feared the new company could situate its headquarters outside Germany and that the legally regulated corrupt system in Germany known as "coal and steel co-determination" would therefore no longer apply.

Now an illustrious circle has assured the Thyssenkrupp-IG Metall apparatus that its income and privileges will remain secure. Thyssenkrupp CEO Miguel López, Steel CEO Bernhard Osburg, the billionaire Kretinsky and the HR directors—Oliver Burkhard of the entire Group and Markus Grolms of the Steel Group (both former IGM officials)—have signed a three-page declaration, made available to the local WAZ (*Westdeutsche Allgemeine Zeitung*) newspaper. It emphasises one sentence: "Transfer of the current co-determination regulations of Thyssenkrupp AG to the new parent company."

This was the sole concern of the IGM apparatchiks. The works councils and union supervisory boards receive large salaries of up to six-figures per year. The job becomes really lucrative for them when they take over the chair of personnel director. Many functionaries can then become millionaires in no time at all. Markus Grolms and Oliver Burkhard are just

two examples.

That's why the IGM functionaries and works councillors fight passionately when it comes to their own interests. The workers are merely a means of exerting pressure in their dispute with the company's management. They are literally being led by the nose.

On Friday morning last week, for example, the trade union and works council had employees protest with whistles, drums and red IGM flags in front of Villa Hügel, the headquarters of the Alfried Krupp von Bohlen und Halbach Foundation. With a stake of around 21 percent, the foundation is the largest single shareholder in Thyssenkrupp. Its chairwoman of the Board of Trustees, Ursula Gather, had backed the reorganisation plans of CEO López.

The chairman of the General Works Council, Tekin Nasikkol, referred to the "historic responsibility" of the Krupp Foundation towards the steel workforce in front of the Krupp Villa. "It's serious," said Nasikkol, looking at the worried and angry faces of the workers. That's why the foundation should not "desert us now."

The head of the works council remained silent about the approval of the job cuts. He left it to the chairman of the supervisory board of the entire group, former Social Democratic Party (SPD) chairman and vice-chancellor Sigmar Gabriel, and the deputy chairman of the supervisory board of the steel division, former IGM boss Detlef Wetzel, to announce the agreement. While Nasikkol was talking big in front of Villa Hügel, Gabriel and Wetzel were chatting with the WAZ newspaper not far away about the agreement that seals the job cuts.

Gabriel and Wetzel had been instructed by the Thyssenkrupp Steel supervisory board to set out the "principles of co-operation" between Thyssenkrupp AG, Thyssenkrupp Steel and Kretinsky's EPCG as laid down in the paper that has now been signed.

"Co-determination" is retained and at the same time the downsizing demanded by López is agreed to. As always, this is justified with reference to the exclusion of compulsory redundancies. Wetzel told the WAZ: "The fact that we can

rule out compulsory redundancies at Thyssenkrupp Steel as part of the restructuring is an important step. However, it is also foreseeable that many people in the company will still have to play their part.”

In fact, half of all jobs in the German steel industry have been destroyed since reunification in 1990, a total of 90,000 jobs. Not one steel worker has been made redundant for operational reasons. The renunciation of “compulsory redundancies” is the modus operandi with which the trade union apparatuses wipe out jobs “in a spirit of social partnership.” They use numerous other ways to drive workers out of the company.

In the coming weeks and months, IG Metall, the General Works Council under Nasikkol and the Steel Works Council under Ali Güzel will push through the massive job cuts. They will have a “regulated exchange” via an “accompanying commission” agreed in the paper “for the entire duration of the preparation and realisation of the planned restructuring” and will be “comprehensively” involved in the redundancies.

At Thyssenkrupp Stahl alone, with its 27,000 employees, up to 5,000 jobs are said to be on the line, although Thyssenkrupp and IG Metall are not disclosing exact figures.

The fate of Hüttenwerke Krupp Mannesmann (HKM) in the south of Duisburg is unclear. Thyssenkrupp holds a 50 percent stake in the smelter, which still employs around 3,000 people. Other shareholders are the steel group Salzgitter from Lower Saxony (30 percent) and the French tube manufacturer Vallourec (20 percent). Vallourec has now withdrawn completely from Germany and last year closed its two tube plants (formerly Mannesmann) in Düsseldorf and Mülheim/Ruhr, which once employed 2,000 people. Thyssenkrupp has not yet commented on its plans for HKM.

Around 90,000 remain employed in the steel industry in Germany. The global growth of wars and trade wars is driving competition for raw materials, energy and sales markets dangerously high. This is putting the steel industry in Germany and throughout Europe under considerable pressure.

In the Czech Republic, the insolvency of the country’s largest steelworks was confirmed by the courts last week. The Liberty Ostrava plant belongs to Liberty Steel, which in turn is part of the GFG Group owned by British-Indian billionaire Sanjeev Gupta. GFG acquired the plant from Luxembourg-based Arcelor Mittal in 2019. With more than 5,000 employees, it is one of the most important employers in the region.

In Italy, Arcelor Mittal ditched the insolvent steelworks in Taranto, one of the largest in Europe, four months ago. Acciaierie d’Italia (ADI)—the Italian steel company formerly

known as Ilva—was only acquired by Arcelor Mittal in 2018. Prime Minister Giorgia Meloni has now placed it under state supervision and 8,000 employees fear for their jobs.

In this situation, steelworkers must not allow themselves to be chained to the companies and the federal government by IG Metall. They are in the process of sacrificing their livelihoods to the ruling elite’s war plans.

Immediately after the start of the war in Ukraine, IG Metall Baden-Württemberg issued a joint statement with the Südwestmetall employers’ association in support of the NATO proxy war against Russia and announced: “These measures will demand sacrifices from all of us.” Last year, the IGM also took part in the concerted action convened by Chancellor Olaf Scholz to discuss how the billions involved could be passed on to the working class.

Together with the defence industry, the union is calling for the build-up of the country’s war and weapons industry. Oliver Burkhard, a former trade union official, is head of one of Germany’s largest defence companies, namely Thyssenkrupp Marine Systems (TKMS).

At Thyssenkrupp, this cabal of works councillors, IGM officials, supervisory board members and personnel board members now wants to augur in the next round of cutbacks. Steel workers at Thyssenkrupp, HKM, Salzgitter, Arcelor Mittal, Georgsmarienhütte and other companies are confronted with this common front and are being called upon to pay for the war policy with their jobs.

This must not be allowed to happen. The fight against job cuts must be combined with the fight against war. This is only possible against IG Metall, not with it.

It is therefore necessary to set up non-union action committees in all companies at all locations. These must network with each other and organise the struggle—in Germany, Europe and internationally.

We call on all employees of Thyssenkrupp and the other steel companies to get in touch with us. Write a WhatsApp message to mobile number +491633378340 or register directly using the form below.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact