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On Their Bike

By Workers Solidarity Cologne and Wildcat

Two articles on an occupied bicycle factory at Nordhausen, Thuringia, Eastern Germany, where production under workers' collective self-management was due to begin on October 22.

The site has been occupied since July 10 after being bankrupted by a private equity buyer, a scenario which can only get more common as scorched-earth restructuring takes hold in the ongoing credit crisis. (The financial press reports that big private equity players like Blackstone and Lehman have been raising billions of dollars for new 'distressed' funds, a.k.a. 'vulture funds' or asset strippers.)

The first text, by Workers Solidarity Cologne, puts the occupation into the context of emerging independent forms of struggle by German workers against the logic that labour must always bear the cost of collapsing capital values. The second, by Wildcat (published in German in issue 79) comes from the new edition (number 9, out NOW!) of the excellent English-language pro-position newsletter [<http://www.prol-position.net/>] (reproduced by kind permission), looks at the tension between workers' independent action and bureaucratic representation, and suggests that the best outcome would be a 'dignified exit' with the workers dictating the terms, rather than any attempt to prolong self-managed business as an end in itself.

Strike Bike: an Occupied Factory in Germany

The 124 workers of the bicycle factory Bike Systems in Nordhausen weren't willing to be pushed into unemployment without a fight. Their actions against the closure of their factory are highly unusual in Germany. They have occupied the factory since the 10th of July. At the end of October they will start producing 2,000 solidarity bicycles under self-management: the Strike Bike.

Nordhausen is a small town in Thuringia (former DDR). Of its 43,000 inhabitants 7,500 are unemployed. Bicycles have been produced here since 1986, initially as part of an engine factory with 4,000 workers. After German reunification, only the bicycle production remained, and most recently 135 workers and up to 160 temporary workers were labouring there. In December 2005 private equity fund Lone Star bought out Biria Group, the owner of the factory in Nordhausen and another in Neukirch, and proceeded to 'restructure it into the ground', in an apparent bid to eliminate competition for nearby MIFA, in which the fund also holds a 25% stake. In December 2006 the Neukirch factory was the first to be closed. There was no resistance and their fellow workers at Nordhausen were relieved to have been spared. Until, that is, they were told at a staff meeting on the 20th of June 2007 that production at Nordhausen would also stop by the end of the month. Here, also, things remained calm initially. No protest, no suggestions for resistance. During the following days workers showed up, dutifully finished off the last jobs and threw goodbye parties.

Up to here it sounds just like any other of the common sad stories we have experienced in so many places: when they said the company was in trouble the workers did without pay to save their jobs. When the company needed them, they worked overtime and on weekends. And when the factory is finally being closed, nothing can be done?

But it turned out differently this time. At another staff meeting on the 10th of July the works council announced the latest news regarding the Sozialplan[1] (redundancy programme). The managing directors had explained that the remaining company capital would not even pay for the notice period. Thus additional pay-offs or employment and qualification schemes (Auffanggesellschaft)[2] were out

of the question. There was no more calm after this announcement. The workers, outraged by this injustice, had the idea to occupy the factory and immediately put it into practice. Everyone agreed and everyone took part.

Looking for the lost strike culture

The workers had no experience with struggles. They had never been on strike and there was no role model for their occupation. It surprised them, how well they were able to make it work. First they assigned the different shifts to the picket line round the clock, they painted transparencies and used oil drum fires for the cold at night. "Please blow your horn", a worker wrote on her sign. There has been an incredible noise outside the gates ever since. Almost everyone who comes past on the busy road loudly announces their solidarity.

Texas-based Lone Star juggles hundreds of millions of dollars worldwide. The workers have taken on a mighty enemy and they had nothing in their hands to put Lone Star under pressure. The last bicycles had been delivered; there was no material left in the hall and only few machines. On the second day of the occupation the company tried to get an eviction order, so as to bully the workers with an ultimatum and threats. But the court decided in favour of the workers, who declared that they were holding a lengthy staff meeting. The police left and the occupation was thus made almost legal.

Over the last few years, workers in a few factories have stopped work by holding staff meetings stretched over several days in situations where they were not allowed to strike legally. In Germany, striking is only allowed under very limited conditions. Workers cannot call a strike, only trade unions can. But there is a hole in the law when it comes to staff meetings: it states nothing about their admissible length. Thus, the six day wildcat strike at Opel in Bochum in October 2004 was officially called an "information event", and instead of working, 2000 workers at the multinational Alstom in Mannheim talked about planned redundancies for five whole days in April 2005.

For a long time it looked as if workers in Germany were willing to put up with anything but in the last few years there have been a few strikes against redundancies and further deterioration of working conditions: at Gate Gourmet at Duesseldorf airport, at AEG Nuremberg (a household appliance manufacturer), at the machine factory CNH, at the Bosch-Siemens household appliance factory in Berlin, in the civil service and currently at Deutsche Bahn, where train drivers are demanding a 31% wage rise. So far struggles have remained isolated and have not condensed into a strike wave. There are autonomous approaches in the struggles, but until now the negotiating logic of unions has dominated and the material results are no reason to celebrate. But in the individual struggles one can sense the intention to start developing a workers' power again, going beyond the usual strike rituals of the union bureaucracy, which are not supposed to hurt anyone and never do. New forms of action such as blockades were tried out and there have been attempts to overcome the isolation of single sites: the Gate Gourmet workers from Duesseldorf and London visited each other and the Bosch-Siemens workers were allied with Siemens workers from other cities on their "solidarity march". As the unions don't usually support such attempts it was necessary to work with support groups on the left. At the beginning of the occupation only few workers at Bike Systems in Nordhausen were organised in Germany's largest metal workers' union IG Metall (IGM). IGM supports the occupation. But at the same time the workers are working together with the small anarcho-syndicalist union FAU on the 'Aktion Strike Bike'.

Strike Bike: a little bit of self-management and a lot of publicity

The unusual news that a factory was occupied in the middle of Germany prompted some leftists to travel to Nordhausen. They talked about of past times and far away countries: the occupation of the watch factory LIP 1973 in Besançon (France); the takeovers of factories in Argentina since 2001. Some proposed to do the same thing: not to wait for an investor but to start production again under self-management. But the workers were sceptical – for good reasons. After all, this is not about a small bicycle workshop, but about 124 workers and a factory that acts on the global market. Individual components come from China and other Asian countries. Final assembly in Europe can pay off, as transport for finished bicycles is more expensive, but the profit margin is small. It is also not clear what kind of buying conditions the workers as self-managed production unit would be able to negotiate. They are too small when compared to multinationals and too big for a self-managed niche production. It would be hard to start out with the occupied factory almost empty. The workers have calculated that they would need 7 million euros as seed capital in order to be able to take up production again. All in all these aren't good conditions for an experiment in self-management – but some occupiers started to like the notion. When the FAU offered to support distribution, the idea of producing a "worker-solidarity-bicycle" in a limited edition was born.

The Strike Bike is a simple, solid bicycle costing 275 euros. So as to be able to buy the material at an appropriate price at least 1,800 bicycles have to be made and the customers have to pay in advance. The workers announced their plan on the 21st of September. FAU started a website and mobilised all its contacts: the workers themselves and other leftists distributed the idea and order forms. The Strike Bike got all sorts of different circles excited. During the first few days there was still some scepticism whether so many pre-orders could be got together. But more and more orders arrived everyday from all parts of Germany and numerous other countries. The necessary number was outdone. The Strike Bike is already sold out, the material for 2000 bikes has been ordered. Production will start on the 23rd of October.

The occupation has been going for three months now. The workers with their Aktion Strike Bike want to refute Lone Star's statement that the factory "cannot be rehabilitated". But they are also showing that self-managed industrial production is possible, not only in Argentina. For the future they are hoping for an investor. Apparently there are several interested parties. If it is not possible to continue production at all or not soon enough they demand a political solution. There are currently negotiations with LEG Thuringia about an *Auffanggesellschaft* (see above).

The conflict has taken on new dynamics because of the announcement of self-managed production. Before then, mostly local and left media had reported on the occupation. But now the Strike Bike is featured in the middle-class press and on several TV channels. This publicity will help the workers with demands to the state. Whatever will be the outcome of this action – through it the workers have already shown that resistance is possible. They have not let themselves be pushed into unemployment without a redundancy plan by the usual logic that the company is indebted and there is no more money. They have not complained and appealed, they acted. If their example is taken on, some financial investors might think twice about buying companies for asset-stripping.

Workers Solidarity Cologne

INFO

There are two films on the occupation of Bike Systems on YouTube:

<http://www.youtube.com/watch?v=fxBmxViFcAI>

<http://www.youtube.com/watch?v=dk1HfKffHcE>

The website for Strike Bike (multilingual):

<http://www.strike-bike.de>

Information in German:

<http://www.labournet.de/branchen/sonstige/fahrzeug/bikesystems.html>

Contact for the occupiers:

fahrradwerk@gmx.de

FOOTNOTES

[1] An arrangement made by the work council and the employee for compensation or lessening of economic disadvantages for the employee resulting from planned company changes. (translator's note)

[2] A company formed by an insolvent business as part of the Sozialplan to help workers into another job through training and/or employment schemes; basically it's a state-funded 'soft landing' into unemployment. (translator's note)

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SOME QUESTIONS for further discussion

[Mute]

The occupation has sparked a vigorous debate among German workers and leftists on Nordhausen in particular and self-management in general. Mute would welcome further comments (post at the end of the article) regarding the following or any other aspects of the strike:

â Practical details. What happened to make it possible to start production with only â-275 x 1,800 (i.e. â-495,000), rather than the â-7 million originally calculated to be necessary?

â New developments. Has there been any reaction from Lone Star since the failed attempt to evict? For example, might the company try to claim part of the proceeds from orders as rent on 'its' site and machinery? In general, has the private equity owner shown signs of being worried about a threat to its asset-stripping plans?

â Have the workers shown any more interest in talking to those at Mifa? Is there any sign of interest or support there or elsewhere in local industry?

â Has the plan for self-management had an effect on what Wildcat described as weakening morale at an earlier stage?

â Will 'the old company management hierarchies' still be in place in self-managed production? Does the FAU have any role in decision-making?

â Has IGM sought to become more involved? What are workers' attitudes to this?

â Are there concrete plans regarding the length of the action: do 'reserve orders' imply a second production series? Will the occupation continue if production is stopped?

â What is the 'political solution' to be pursued if production fails: what are the 'demands to the state', and how will they be made?

â If an investor is found and ongoing production is attempted, should the action still be regarded as a strike? Have workers imposed particular conditions on potential investors? Â