

The 'programs of prompt action' of the Social Democrats and the Greens

Wolfgang Weber
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Both the Social Democratic Party (SPD) and the Greens have presented a program for their first 100 days in the event that they take power in the forthcoming national elections in Germany. With just a week to go, more than a third of voters are still undecided and the outcome of the elections is uncertain. Under these conditions, both parties are clearly trying to gain votes with promises of some social reforms.

The SPD wants to 'bring into employment' 100,000 unemployed youth (out of 500,000) with a 'program of prompt action against youth unemployment'. It promises to revoke the loosening of legal protections against dismissal and the restrictions on sick pay pushed through by the Christian Democratic government headed by Helmut Kohl. It wants to increase the child allowance to 250 German marks monthly beginning in 1999, and exempt the disabled as well as the elderly from out-of-pocket costs for medicine. It further pledges to moderate the pension cuts for single women on low income passed by the current government in Bonn, gradually reduce the introductory tax rate for low income people to 15 percent and not drop the highest tax rate for rich people and employers to less than 49 percent for now.

The SPD could have helped not just 100,000, but all 500,000 jobless youth to get an apprenticeship and a job a long time ago if, instead of axing jobs in the many states and councils which it governs, it had created the corresponding number of jobs. In light of the social devastation which the SPD has helped carry out in recent years, the measures promised now amount to a drop in the ocean.

Apart from that, the SPD candidate for chancellor, Gerhard Schroeder, and his 'program of prompt action' do not say anything concretely about how these promises are to be financed. Since the SPD declares at the same time that the cost of such a program must be met by savings, one can only conclude that it will take back with one hand what it gives with the other--that is, if the SPD remember these promises at all after the elections.

In order to reassure the camp of big business and the banks in this respect, the SPD expressly emphasises in its 'program

of prompt action' that it in no way considers itself to be bound to these petty electoral bonbons. Everything is subordinated to a financial proviso: directly after the elections the SPD wants to 'audit the accounts before anything else, and sort out public finances'--as if Schroeder and SPD head Lafontaine didn't already have all of the facts and figures before them.

Behind the facade of the electoral campaign, the party leaders long ago devised a package of harsh budget cuts and wage restrictions. In an article entitled, 'The comrades are sharpening the axe,' the weekly paper *Die Zeit* reports on this. Walter Riester, vice chairman of the IG-Metall (metal workers union) and Schroeder's candidate for the post of employment minister, is quoted as saying: 'Promising 300,000 jobs, that's pure illusion.'

With regard to planned attacks on working people, the author of this article opines: 'It would be the right policy. The question is only whether Schroeder and Lafontaine will be able to carry out such cuts, once it is determined where they have to be made.'

It is no wonder that the SPD has put at the heart of its program, whether as part of a grand coalition (with the ruling Christian Democratic Union) or a red-green coalition (with the Green Party), the revival of the so-called 'alliance for jobs'--a tripartite pact between unions, employers' federations and the government, which has already secured the backing of the Kohl government in critical periods. They want the trade unions to once again play the role of ensuring law and order in the factories. This fact is also stated point-blank in the *Zeit* article: 'Their [Schroeder's and Lafontaine's] chances will stand or fall with the alliance for jobs. If they can lead this to success, there will be no opposition to the financial policy and the economy will probably grow more dynamically.'

The Greens also place a new 'alliance for jobs' at the centre of their 'program of prompt action,' which is called 'Start on green reform policy in 1998.' However, because they have their doubts about the capacity of the trade union officials to keep protest and opposition under control outside of the

factories, they want, in addition, to involve clergymen and other groups like the 'jobless people's initiatives' controlled by the DGB (the German trade union federation).

With their 'program of prompt action,' the Greens try at the same time to give the impression that a red-green coalition would be a more social and democratic alternative to the Kohl government or a grand coalition. Therefore they demand the increase of the children's allowance not just to 250, but to 300 German marks, and a rise in the basic tax allowance, i.e., tax-free income, to 15,000 marks a year.

In contrast to the SPD's 'program of prompt action,' the Greens also promise a few political reforms. No refugees should be sent back to crisis-ridden areas, and foreign children born in Germany should be awarded full civil rights, although only under certain conditions.

But the extent to which democratic rights are in safe keeping with the Greens can be seen in Hessen or North Rhine Westphalia, where they already rule in coalition with the SPD. For years they have been helping not only to dismantle the social state, but also to imprison refugees in camps and deport them.

As far as social promises are concerned, a few Green politicians--yielding to their inner yearnings rather than the election tactics of the party leadership--have frankly stated what one can expect of them. Andrea Fischer, the Greens's speaker for pension policy in parliament, and Oswald Metzger, their speaker for budget policy, have rejected the SPD's mini-plan for moderating the cuts in pensions as 'irresponsible,' claiming there is no way of avoiding pension cuts. The young generation should not be further weighed down by the old, they declare.

As for tax reform, Metzger declared that the task of the Greens should consist in 'convincing the SPD that the top tax rate for businesses has to be immediately reduced to 45 percent.' The SPD's plans did not go far enough. A steeper tax cut for the rich would be the only way a red-green coalition could acquire the confidence of big business.

A year ago the Greens presented their full tax reform program, demanding among other things: the taxing of pensions, unemployment benefits, short-time work payments and sickness pay; a reduction in the capital gains tax to 35 percent, elimination of the capital gains tax for distributed profits (dividends), and a full tax exemption for those on higher incomes, in so far as they invest in pension funds and other private pension and health insurance schemes. The pink spots in the Green 'program of prompt action' cannot obscure one fact: in the event that they participate in government and exercise pressure on the SPD on social policy, the Greens' role will be to push the SPD not to the left, but to the right.

Both parties, the SPD and the Greens, propose to counter

mass unemployment by increasing cheap labour jobs and part-time work and reducing so-called 'additional wage costs,' i.e., social security contributions and benefits. They don't want to reverse the current redistribution of wealth from the bottom to the top, but rather push ahead with it. Their only proviso is that at the bottom of society, poverty should be distributed 'more justly.'

There is something striking in this connection: neither party utters a word in its 'program of prompt action' or its election campaign debates about the Asian crisis, the breakdown of the Russian economy or the decline of share values on international stock exchanges. No matter who forms the next German government, the consequences of these shock waves from the international economy will determine its agenda. What will the SPD or the Greens do in the face of falling exports, new mass sackings and even higher losses in tax income?

Since both parties are based on supporting the interests of the business world, it can already be predicted: in their first hundred days they would turn to the right even more sharply than before. But the voters are to be kept in the dark about this as long as possible.

See Also:

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[12 September 1998]

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Wolfgang Clement--Prime Minister of North-Rhine Westphalia

[10 September 1998]

See the election web site of the Partei für Soziale Gleichheit (Socialist Equality Party--PSG)

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