

The crisis of the German Social Democratic Party

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One year after taking over the government, the Social Democratic Party (SPD) and the Greens are in a deep political crisis. Both parties have suffered devastating losses in the European, state and local elections over the last months, both are shaken by violent internal disputes. In the SPD, the chairman has jumped ship, and now violently attacks the party's course in public.

In this evening's lecture and in the coming two weeks, we will look at the cause of this crisis and ask what conclusions result from it. We will not deal with the daily events and details of government policy—such as the cuts program or pensions reform—I take it that all are familiar with this, at least in its outlines. What interests us are the more far-reaching political consequences of this crisis.

Is it simply a conjunctural affair related to market conditions, a temporary loss of favour with the voters? Or does it involve a long-term tendency? Does the end of the twentieth century, which some called the "social democratic century", also mean the end of social democracy? In political terms: Does it concern the defence of a program of social reformism against its neo-liberal opponents within social democracy, as ex-SPD chairman Oskar Lafontaine puts it, and as do the former Stalinists in the Party of Democratic Socialism (PDS)? Or has the program of social reformism reached its limits? Does the crisis of the "red-green" government, therefore, require a completely new political orientation?

One thing should be certain for any impartial observer: The defeats at the polls by the SPD and Greens can be attributed to the fact that voters had expected more social justice, are bitterly disappointed about the course the government has taken and now indignantly turn away from them.

An analysis of the election results makes this clear: In percentage terms, the Christian Democratic Union (CDU) gained substantially, with the SPD and Greens losing accordingly. If one looks at the absolute figures, i.e., the actual numbers voting, then the CDU also lost votes almost everywhere, while SPD voters remained at home en masse. In the state of Saxony, for example, the SPD lost 70 percent of its voters within one year—between the *Bundestag* (federal parliament) and the state election. For German conditions this is a gigantic number.

An investigation by the *Allensbach Demoscopic Institute*, published in June this year under the heading "Are social democratic concepts losing their shine", comes to the conclusion that the majority of the population wants more and not less social justice. (The Allensbach Institute, by the way, is notorious for its proximity to the CDU, so there can be no suspicion of them being partial on this question).

The study says:

"There can be no talk about basic classical social democratic ideas being

out of fashion in the general populace. A strong welfare state, a well-developed social safety net and egalitarian ideals are given a high value in the population. The outcome of the election to the *Bundestag* was a plebiscite for the preservation of the welfare state, against the 'reform' politics of the old government. The voters were not primarily concerned by any means, as is frequently assumed, about new faces....

"More individual responsibility, less state—the general public primarily connects this with expectations of increasing social differentiation, coldness and egoism, increasing unemployment, uncertainty and less protection for the disadvantaged and minorities....

"Not simply a strong state and a global social safety-net, but also egalitarian ideals, which are a firm part of the social democratic programme, still find a broad resonance. A relative majority is convinced that a country develops better, not only when it protects equality of opportunity, but also when it strives for equality of outcome. Therefore the increasing criticism of the government cannot be attributed to the fact that the classic social democratic concepts have lost their attraction in the general population."

I took this quotation from the book *The Heart Beats On The Left* by Oskar Lafontaine. He uses it in order to support his criticism that Chancellor Gerhard Schroeder and the SPD are on the wrong track and do not understand "how and why we won the elections to the *Bundestag*".

The central accusation that Lafontaine raises against Schroeder is that he has defected into the camp of neo-liberalism. On the other hand, Lafontaine says his own work as party chairmen consisted of daring "to rebel against the neo-liberal mainstream". The SPD should hold to its programme, which defends the social market economy and which retains the welfare state.

Without doubt, many of the reproaches that Lafontaine raises against Schroeder are justified. That is the reason for the hysterical reaction with which the party establishment reacted to his book, and for the great resonance that the book found with the public.

But are his responses viable? Does the task that arises from the crisis of the SPD really consist of returning to its old programme? Can this programme provide a response to today's problems at all? Isn't Schroeder himself a product of the social democratic programme? Was Lafontaine not also considerably involved in promoting Schroeder as the SPD's leading politician and candidate for chancellor?

Lafontaine does not even ask himself these questions. In order to answer them, it is not sufficient to simply describe the quarrels of the last months; one must look deeply into the history of the SPD. A political programme is, in the long run, more than just a list of election promises. It expresses a party's orientation to the fundamental social, political and international questions of the epoch. The written programme often only provides the ideological gloss for its actual orientation.

In order to understand the program of the SPD, one must study its history, its behaviour at the crucial turning points of this century. If one approaches the question in this way, then the widespread conception that

the SPD is primarily committed to social reforms simply proves to be an illusion. Looked at more closely, it carried out social reforms this century for only three years—at the start of Willy Brandt's time in office—and that was more under outside pressure than from the party's own impetus.

The prevailing element in the program of the SPD was and is the defence of the existing order. In this question it developed an energy and a readiness for self-sacrifice, which one seeks in vain when it comes to the defence of the social achievements of the population. Whenever the bourgeois order came under the threat of a movement from below, the role of the SPD was to calm it down and suppress the masses, if necessary by force.

Looked at in this way, the Schroeder government's policy corresponds completely with the tradition of the SPD. It feels itself destined to carry out those acts of social cruelty, for which the Kohl government had shown itself too weak, regarded by the ruling class as long overdue. This could be foreseen. Long before the *Bundestag* elections, we had warned in *Gleichheit* that this would be the real function of a red-green government. The headline of the September 1998 edition, which appeared one month before the election, read: "The rude awaking after the elections".

Almost exactly 100 years ago a violent controversy raged within the SPD, which would prove to be decisive for its further development: the so-called "revisionism debate". It concerned the question of whether the function of social democracy consisted (in the words of Rosa Luxemburg) of "the futile attempt to mend the capitalist order" or "a class struggle against this order, to abolish it".

The SPD still regarded itself at this time as an orthodox Marxist party. Their goal was the transformation of the existing capitalist order and the establishment of a socialist society. It regarded the fight for social reforms, which formed the main content of its practical activity, as a means to achieve this aim.

In 1896, Eduard Bernstein, one of the SPD's leading theoreticians, turned against this. Bernstein lived at that time in exile in Britain and was strongly influenced by the British workers movement. In his opinion, the revolutionary goal was an obstacle for what he regarded as the actual function of the social democracy: social reforms. Therefore he wanted to do without this aim.

Probably the most brilliant response to Bernstein was written by Rosa Luxemburg, who belonged to the left wing of the party, entitled "Reform or Revolution?" It proved that by renouncing the goal of socialism, Bernstein was questioning the very existence of the social democratic movement; that the SPD would no longer differ from bourgeois democracy and from bourgeois radicalism.

The party leadership under August Bebel and William Liebknecht also rejected Bernstein's revisionist theses. At party congresses, the revisionists, who argued for a reconciliation with the existing social order, were regularly outvoted. But the practice of the party operated in their favour.

In his work *War and the International*, published during the First World War, Leon Trotsky described these circumstances in detail. He wrote:

"The entire activity of the German Social Democracy was directed towards the awakening of the backward workers, through a systematic fight for their most immediate needs—the gathering of strength, the increase of membership, the filling of the treasury, the development of the press, the conquest of all the positions that presented themselves, their utilisation and expansion....

"This whole many-sided activity, of immeasurable historical importance, was permeated through and through with the spirit of possibilism. In forty-five years history did not offer the German proletariat a single opportunity to remove an obstacle by a stormy attack, or to capture any hostile position in a revolutionary advance. As a result of the mutual relation of social forces, it was constrained to avoid obstacles or adapt itself to them....

"The spirit of opportunism must have taken a particularly strong hold on the generation that came into the party in the eighties ... this generation grew up in the spirit of moderation and constitutional distrust of revolution. They are now men of fifty to sixty years old, and they are the very ones who are now at the head of the unions and the political organisations. Reformism is their political psychology, if not also their doctrine. The gradual growing into Socialism—that is the basis of Revisionism—proved to be the most miserable Utopian dream in face of the facts of capitalist development. But the gradual political growth of the Social Democracy into the mechanism of the national state has turned out to be a tragic actuality—for the entire race."

Trotsky explains in these lines how it was possible that German social democracy supported the First World War in 1914. Posed before the alternative of defending their political principles and making a stand against the war, or of adapting to the war euphoria, it had decided on the latter course—and voted for the Kaiser's war credits.

The SPD *Reichstag* parliamentary group justified this with the words: "The culture and the independence of our own country must be guaranteed. In the hour of danger, we will not abandon the Fatherland." The "culture" was at that time the Prussian military boot; "independence" meant a hatred of the French and a desire for colonial possessions; the "Fatherland" was Krupp, AEG and the Deutsche Bank.

The mass of the workers was rapidly sobered up by the war. In 1918 they joined the *Arbeiter und Soldatenraete* (workers' and soldiers' councils), in order to bring down the hated bourgeois order. The SPD, for its part, did not desist from demanding the "defence of the Fatherland". From then on its face was shaped by a mixture of patriotism, trust in authority, and love of order, combined with an hysterical fear of any intervention from below by the masses.

They reacted far more strongly to the accusation made by the conservative right that they had "stabbed" the German army in the back, than to the indignation of the hungry masses. They went so far as to form a pact with the *Reichswehr* (imperial army) and the reactionary *Freikorps* (volunteers) to defeat the revolutionary uprisings of the post-war period and, in 1919, murdered the revolutionary leaders Rosa Luxemburg and Karl Liebknecht.

The result was the splitting of the workers movement. Millions of workers turned to the German Communist Party (KPD) created in 1919, from which—in accordance with the model of the Russian Bolsheviks—they expected the abolition of the capitalist order. They were bitterly disappointed, when in the wake of the degeneration of the Soviet Union the KPD came under the increasing influence of Stalinism and pitifully failed.

The SPD now predominantly rested on civil servants, white-collar employees and better-off workers, who identified with state and Fatherland, and regarded any danger to the existing order as a threat to themselves.

The SPD responded to the rise of the Nazis by clinging even more strongly to the state. From 1930 to 1932 it supported the government of the *Zentrum* (centre) politician Heinrich Brüning, which lowered wages and salaries by means of emergency decrees, cut social expenditures and increased taxes. In 1932 they supported the election of Hindenburg as *Reichspräsident*.

Hindenburg, they reasoned, respected the constitution, according to which the *Reichswehr* is under his control. And Hitler would not be able to come to power against the *Reichswehr*, they concluded. As long as the head of state is a president who is faithful to the constitution, fascism is harmless. Trotsky commented on this attitude with the words:

"A mass party, leading millions, holds that the question as to which class will come to power in present-day Germany, which is shaken to its very foundations, depends not on the fighting strength of the German proletariat, not on the shock troops of fascism, not even on the personnel

of the *Reichswehr*, but on whether the pure spirit of the Weimar Constitution (along with the required quantity of camphor and naphthalene) shall be installed in the presidential palace."

Hindenburg saw things in exactly the same way and appointed Hitler chancellor a few months afterwards.

There is a scene at the end of the Weimar Republic, which aptly expresses that mixture of subordination to the bourgeois state, discipline, obedience, cowardice and fear of the masses, which characterised the behaviour of the SPD. It took place four months after Hitler's seizure of power, on May 17, 1933 in the *Reichstag*. The KPD had already been banned by this time; their delegates sat in prison or had gone into hiding. The Nazis had occupied trade union offices, and several trade union leaders had been murdered. In addition, the SPD parliamentary faction had become much smaller, only half of its 120 delegates appeared for the session. The remainder had gone into hiding, were in detention, or had fled.

On the agenda was the Enabling Act (*Ermaechtigungsgesetz*), which provided Hitler with dictatorial powers. The SPD faction was the only one present in parliament to vote against signing their own death sentence. In addition, there was a statement by Hitler on foreign policy submitted to the vote. A participant in that sitting, the Bavarian SPD delegate William Hoegner, described what now took place:

"We Social Democrats waited tensely for the attacks [by Hitler] against us. When they did not come, some of us looked surprised and almost happy. During the vote, our neighbours, the right-wing Catholic parties, looked at us with expectation. We stood up with them and voted for the statement by the German *Reichstag*. A storm of applause broke loose among the other parties. Even Hitler seemed moved for an instant. He rose and applauded us too. The *Reichstag* president [Herman] Goering explained: 'the German people are united, if it concerns their fate.'... Then the right-wing deputies began to sing the National Anthem. Many in our ranks sang also. Tears ran down the cheeks of some."

Just consider the scene: On the streets, the fascist terror was raging, the executioner's axe hung clearly over the SPD deputies' heads ... and they sing the National Anthem together with the Nazis!

The SPD had discredited itself so badly that after the Second World War even the Allies considered its recovery improbable. "Many German workers obviously blame the Social Democrats' policy of appeasement during the Weimar Republic for the ascent of the Nazis, and for this reason do not seem to welcome their return to power," an American War Ministry document noted in 1944.

However, the Allies had not counted on the obstinacy of the SPD, embodied particularly in the person of Kurt Schumacher, the party's first post-war chairman. Born in 1895, he had volunteered in 1914 and lost an arm on the East Front. In the last year of the war, he joined the SPD, for whom he worked as an editor and parliamentary deputy. In 1930 he entered the *Reichstag*, and participated in the May 17, 1933 sitting mentioned above. Whether he sang along is not known.

Arrested a short time thereafter, he spent 10 years in the concentration camps, which he only left in 1943, his health completely ruined. After the German surrender, Schumacher sacrificed his life for the reconstruction of the party (he died in 1952).

A passionate patriot and anticommunist, Schumacher prevented any rapprochement between the SPD and KPD. With regards to the Allies, he understood himself to be the guardian of German interests, which he equated with the working class. And as a former concentration camp inmate he possessed a certain authority.

He contributed crucially to re-establishing the German state after the war, salvaging as much of the old *Reich* as possible. He opposed shifting the Polish/German border west to the line formed by the rivers Oder and Neisse, and argued for a "strong, central state power".

The initial beneficiaries of his efforts were the conservatives, who

provided the first three federal chancellors—Konrad Adenauer, Ludwig Erhard and Kurt Georg Kiesinger.

Only in the 1960s was the SPD carried into government for the first time, on a wave of youth and working class protest. In 1966 they became junior partners in the "grand coalition" headed by the Christian Democratic Union/Christian Social Union. Then, in 1969, Willy Brandt became the first SPD chancellor in the "small coalition" government with the Free Democratic Party.

Today, Brandt is considered the epitome of a social reformer in the SPD. With pride, Lafontaine calls himself his grandchild. But this is largely based on a misunderstanding.

Brandt's ascent in the SPD goes back to his role as the mayor of Berlin. In terms of social policy, he advocated rather conservative views, and he was an even stronger advocate of the Cold War. When he entered the grand coalition in 1966, under former Nazi party member Kiesinger, the extra-parliamentary opposition was formed in protest, which finally flowed into the student movement of 1968. Paradoxically this massive protest movement, which was also directed against the SPD, as well as a substantial workers' strike movement, helped the SPD to gain a government majority for the first time in 1969.

Under the pressure of this movement, Brandt was forced into granting substantial social concessions to the lower social layers. In this, he did not differ from the governments of other countries—even if they were led by conservative parties—which were also unable to withstand the pressure of the offensive by the working class gripping almost every country in the world.

Social concessions were also possible because this period corresponded to the end of a post-war boom, which had above all profited big business. Without directly endangering the functioning of the capitalist economy, there was a certain room for manoeuvre in the distribution of society's wealth.

In the Brandt era the SPD came closest to realising its espoused goal of a "social market economy", i.e., a reformist policy of placing certain constraints on the capitalist market in the interests of class peace and social consensus. Wages and social security benefits rose, government programs in the areas of education, social welfare and health were expanded. The rebellious youth found work in the public services and broader social layers gained access to the universities.

But even in this period, concerns over state authority and order dominated the thinking of the SPD. This was shown in their support for emergency laws and the *Berufsverbot* decree, which banned the employment of "radicals" in the public service.

With the onset of an international recession at the beginning of the seventies, the calls for an end to these policies grew ever louder, to which the SPD adapted itself. Brandt, who had proved unable to restrain the expectations that the broader electorate placed in him, was replaced by Helmut Schmidt as chancellor in 1975.

Schmidt introduced a harsh policy of austerity measures, driving up unemployment. Under the increasing protests of the working class, the coalition with the FDP broke apart. In 1982, Helmut Kohl took over the sceptre and essentially continued the policy begun by Schmidt. The results today are over 4 million unemployed and the impoverishment of broad social layers, with the accumulation of scandalous levels of wealth at the pinnacle of society.

If one regards the dispute with Oskar Lafontaine in light of this history, then the responses to my initial questions become clearer. Under Oskar Lafontaine's chairmanship, the SPD was again able to channel the widely felt need for social justice to its own benefit, culminating in last year's election victory for the SPD. But from the beginning, expectations that the elections meant a return to the reformist politics of the early 70s were built on sand.

The entire international framework has changed fundamentally since the

Brandt era. Economic life is controlled by transnational corporations and financial establishments, which stamp political life with their mark. Traditional social-democratic reformist politics are unable to oppose this concentrated power of capital. In order to stand up to this, it is necessary to mobilise the mass of the population against the prevailing structures of power and ownership. A party like the SPD, which for decades has defended bourgeois order, is neither able nor willing to undertake such a struggle.

For Lafontaine, this question is also a taboo. The last thing he wants is a movement from below, which places the existing structures of power and ownership in question. In his book, he expresses the fear that radical parties may gain impetus, if the SPD loses the confidence of the population. He writes:

"The left-wing governments in Europe came to power because the citizens rejected the social chill of neo-liberalism. If politics should fail to hear the citizens' 'call for help' and not initiate an improvement, the protest will search out other ways to express itself. Radical parties will receive an impetus if Europe's social democratic governments miss this unique chance to counterpose a social democratic model of society against that of neo-liberalism, which led to dramatic currency and financial crises."

Of course, in many questions Lafontaine advocates different political views to Schroeder, which I cannot deal with in detail in the context of this lecture. But his own conceptions lie completely within the bounds of traditional bourgeois policy. He puts forward a different emphasis in financial policy: unlike the neo-liberal postulates, it should not be purely supply-oriented, but consist of a dual strategy of supply and demand policies. Monetary policy should be handled more flexibly and should also serve in the fight against unemployment. Internationally, he proposes stronger controls on the financial markets and speculators. But this would not change anything in the existing structures of power and ownership.

Lafontaine frequently cites France as a model for the policy that he wants to carry out. But the French model is often described in the bourgeois press with the words "indicate left, turn right". Jospin's rhetoric sounds substantially to the left and more radical than that of Blair and Schroeder. But the political reality does not differ very greatly.

Unemployment has decreased in France slightly, but is still significantly higher than in Germany. The law over the 35-hour week emerges as a lever for the introduction of flexible working conditions. The job creation program for young people, like similar programs in Germany, takes them off the streets temporarily, without offering them any prospects for the future. And the present economic growth can predominantly be ascribed to conjunctural circumstances, which are only partially due to the government's political course.

Like a *leitmotiv*, another theme runs more seriously through Lafontaine's book. Again and again he stresses the necessity—and I quote—to counterpose "a European welfare state to Anglo-Saxon capitalism" or "the European version of the social-market economy to the Anglo-American view of the free-market economy".

Insofar as this means the rejection of a social development as presently can be seen in the US—with its glaring distinction between rich and poor, the lack of any social safety net, draconian punishments and overfilled prisons—no objections can be made. But Lafontaine is speaking here of the need for marching shoulder to shoulder with European capital against America. This becomes particularly clear when he calls for the "development of a European 'national sentiment'". The logic of this point of view leads to an aggravation of the now already strained relations between Europe and the US, with the danger of further wars, up to a Third World War.

Workers in Europe must seek to march shoulder to shoulder with their American colleagues. And they can do that best if they rebel against the ruling class on the own continent. History has shown time and again that class warfare in Europe can also inspire the American working class and

vice versa.

To sum up, one can say that the current crisis means the SPD has really come to an end. Whether—like the British Labour Party—the SPD will find a new public in the upper middle class, and so will still play a role, cannot be foreseen. It does not look like it at present. But bureaucratic apparatuses are tough.

But it is finished as the representative of working people. That is not so much due to the personality of Gerhard Schroeder, but because of its political program. The working class can only oppose the power of global capital with a party that is based upon those internationalist and socialist principles, which the SPD abandoned 100 years ago.

Thus the crisis of the SPD also has quite a positive aspect: it is always painful when long-held illusions break down. But departing from old illusions is the prerequisite to build something new. The attempt to blow new life into reformist illusions, as Lafontaine and above all the PDS now try, can only further delay this urgently necessary step.

But that is a topic Ulrich Rippert will speak about next week.



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