German public sector workers vote to strike

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On June 8 Germany's public sector workers organized in the OeTV and DAG trade unions voted by a 76 percent majority in favor of a strike. The workers are demanding a higher wage increase than that offered by the employers.

The vote rejected a compromise wage deal proposed by arbitrators who had been brought in to resolve the conflict. The strike, which is scheduled to begin this week after the Pentecost holidays, will be the first walkout in Germany's public sector since 1992.

Interior Minister Otto Schily (Social Democratic Party—SPD), representing the public employers, is meeting with trade unions leaders Tuesday in a last-ditch attempt to avert a strike, which could bring large sections of public life in Germany to a standstill.

Polling of union members started after the breakdown of arbitration negotiations between federal, state and municipal public employers and the two public sector unions, OeTV (Public Service, Freight and Passenger Transportation Union)—the union of "blue-collar" public sector workers—and DAG (German Salaried Employees Union), which mainly represents office workers. The OeTV and DAG leaderships were obliged to carry out a strike ballot among their more than 800,000-strong membership.

The unions had demanded a 5 percent wage hike for the 3.1 million employees in the public sector, but the employers were only willing to offer a 0.6 percent increase this year and another 1.7 percent next year. Since no result was achieved in contract negotiations, an arbitration commission was appointed, which, as usual, proposed a "middle-of-the-road" compromise.

The arbitrators proposed increasing pay by 1.8 percent retroactively as of April 1, and then by a further 2.2 percent 12 months later. The pay of public sector workers in eastern Germany, where workers still receive less than their colleagues in western Germany, was to be increased merely from 86.5 percent to 90 percent of the west German wage and salary level—and that in three stages.

The commission had nothing more to offer than vague indications with regard to job trainees, stating that the employers would "make an effort" to ensure that the number of trainees is not decreased, and would "work towards" securing at least 12 months employment for trainees who had completed their apprenticeship.

Normally, this kind of compromise solution is accepted by both sides, and peace and quiet reign for the next 12 months, or longer. Every wage contract signed in Germany incorporates a "keep the peace" clause (i.e., a ban on strikes) for the duration of the contract.

There was every indication that the usual pattern would prevail in this case as well. The unions' chief negotiators, Herbert Mai of the OeTV and Christian Zahn of the DAG, recommended acceptance of the compromise to the unions' Combined Collective Bargaining Committee, which has the final say on wage agreements. But the Committee unexpectedly turned against its own leadership and rejected the arbitrators' proposal, thus setting into motion the process which led to the ballot and vote in favor of a strike.

By rejecting the compromise, the committee, which is made up of about 200 trade union officials, has both embarrassed the trade union leadership and demonstrated how far removed the chief negotiators are from the expectations of the workers they claim to represent. On the other side of the fence, the strike vote has evoked tirades and threats from the employers, particularly from SPD and Green party politicians. These Social Democrats and Greens have declared that any additional wage increases will not be financed out of public sector budgets, but by the workers themselves, who can expect layoffs and a freeze on new employment.

Olaf Henkel, president of Germany's main employers' federation BDI, took to the stage to warn employees that increased wages could jeopardize the federal government's cost-cutting efforts. He was supported by Dieter Vesper of the DIW economic research institute (which has close ties to industry). Vesper claimed that even the proposed compromise will indefinitely put off the hiring of new employees and a halt to workforce reductions in the east of Germany.

Saxony-Anhalt's state Finance Minister Schaefer (SPD) said "operationally justified dismissals" (as opposed to redundancy schemes, closures and hiring reductions) would be necessary. And the minister president of the same state, Reinhard Hoeppner (SPD), declared that higher wages would increase pressure to reduce staff..

Interior Minister Schily, the federal government's chief negotiator, accused the trade unions of "irresponsibility in the overall political context". The Greens' budget policy spokesman, Oswald Metzger, called the unions "short-sighted". Metzger went on to say that job cuts and hiring freezes were now to be expected and that this would reduce the unions' membership, and thus their income from membership dues.

But even the union bureaucrats, who preside over organizations that are chronically impacted by dwindling membership, are not so limited in their foresight as to see the future of the trade unions solely as a matter of dues-paying prospects. While, generally, they docilely accept the demands put forward by the employers, they see their main task as warding off and side-tracking the growth of resistance within the working class.

That is why it would be wrong to interpret the Collective Bargaining Committee's rejection of the proposed wage package as a genuine representation of the workers' interests or a return to the trade union militancy of former times, even if it did humiliate the top bureaucrats. It was, rather, a knee-jerk reaction to growing dissatisfaction among organized and unorganized workers (particularly in the east of Germany), who have lost all patience with years of stagnant real wages without any prospect of improvement, and increasing economic insecurity.

Many union officials in the east of Germany no longer feel they can credibly convey the leadership's policies to local members. Even some municipal government officials (who are actually on the other side of this conflict) are talking about the "long overdue adjustment" of wages in the east to western wage levels.

Employment in the public sector has long ceased to provide the special advantages it once did in Germany, such as secure and decent pay, which even after day-to-day expenditures was enough to lead a modestly comfortable life. It is, moreover, completely misplaced for government negotiators to point to budgetary restrictions when they know full well that huge amounts of money will be forthcoming when Germany's postal and telecom corporations go public and the government sells its UMTS telephone licenses. The UMTS sell-off alone will add as much as 100 billion marks to the government's coffers. In any event, fewer and fewer people are prepared to accept the fact that, 10 years after re-unification, wages in the east of Germany are still 10 percent lower than in the west.

What none of the government or employers' representatives care to explain is why, if the public treasury is supposedly so short of funds, the government is extending the most generous tax breaks to big business, including exempting from taxation the profits made from the sale of corporate shares.

Such objections are increasingly making it impossible for the unions to convince workers that the life of austerity ordained for them by the government or collective wage agreements is acceptable. This is where the dilemma of the trade unions in general, and of the OeTV in particular, begins. If a union is no longer able to obtain workers' support for its collaboration with the employers, it has no other choice than to place itself at the head of the protest movement. It ends up calling for a strike that, as OeTV leader Herbert Mai never tires of repeating, it "really doesn't want".

Another factor is an inner-union dispute about the planned merger of the OeTV, the DAG and several other unions to form a "mega-union" called Ver.di, combining public and private service sectors. This project, which is being vigorously promoted by the top union bureaucrats, is meeting with considerable opposition from mid-level officials, i.e., the group from which the Collective Bargaining Committee is recruited.

This new large-scale organization would be not so much a service *trade union* as a service *corporation*, fulfilling in the public sector basically the same role that automobile associations fulfill for drivers. That would pull the carpet from underneath the feet of mid-level officials—partly because the merger would result in union jobs being cut, and partly because the new organizational structure would leave no room for the mid-level officials' traditional role as a buffer between the rank and file and the top union leadership.

Consequently, many union officials see the current wage conflict as an opportunity to take on the union bosses, without being seriously interested in the needs of rank-and-file members or having any perspective as to how these needs are to be met.

While the government is determined to allow no concessions to the population in this wage conflict, and while workers see less and less reason why they should tighten their belts even more, the trade unions, which for decades formed the hinge on which social consensus hung, have fallen into a profound crisis. With the gap between conflicting and, ultimately, irreconcilable interests widening, it is becoming more and more difficult for them to stay in control of events. If it takes place, a public sector strike will strain the OeTV to the breaking point.

Eight years ago, OeTV members refused to follow their leadership and demanded continuation of the 1992 strike in a ballot called after 11 days of a work stoppage. Only 44.1 percent of them voted for ending the strike (at least 50 percent was required). The OeTV president at that time, Monika Wulf-Mathies, nonetheless brought the strike to an end in an unprecedented display of contempt for the members' will, even though the walkout had not achieved the slightest increase in the wage offer (which at 5.4 percent was nonetheless substantially better than the current norm). Helmut Kohl, Germany's head of government in 1992, showed his gratitude to Wulf-Mathies by arranging for her to get one of the best-paid appointments in Europe, as a European Union commissioner in Brussels.

The trade union bureaucrats are in a sweat about this "Spirit of 1992 ", as the German weekly *Die Zeit* calls it. How long are workers going to follow a trade union that has no real perspective to offer? Even the strike demands are extremely modest. The OeTV is asking for a "2 after the decimal point", which would be only 0.2 percent more than what the employers are currently offering. And they have no plans for defending existing jobs—jobs that will be cut to finance any further wage increase.

Nor is the OeTV's indignation about the slow progress in adjusting eastern German wages to western levels convincing. It was the OeTV that made the establishment of different wage zones possible in the first place, and it has maintained this "wage apartheid" ever since.

The OeTV's links to the governing Social Democrats (who include in their ranks the former union leader Walter Riester, now the minister of labour and social service) mark it all too clearly as part of the repressive apparatus that has already carried out more attacks against the welfare of the population than the conservative Kohl administration did in 16 years of government.

Assuming the strike takes place, it will be extremely difficult for the unions to calculate which direction it will take and what its result will be. However, workers must not limit their search for a new perspective to opposition to trade union treachery. They will only succeed in making a clear political break with the Social Democrats and the trade unions by building a party that is independent of the two—a party with an international strategy that opposes both the attacks of global capitalism and the nationalist obtuseness of the unions, and combats any division of the working class by promoting the goal of social equality.