

Germany: SPD and Green Party present new coalition pact

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Last week, after 16 days of negotiations, the SPD (Social Democratic Party) and the Greens reached agreement on a new coalition pact for the next four years and presented the new government.

The media response to the renewed coalition was largely negative. According to press commentaries, the necessary social “thrust” was missing, it lacked basic ideas and farsighted concepts, and the coalition partners had decided upon two evils simultaneously—new taxes and higher debt.

This criticism comes predominantly from the right. It faults the new government for not radically curbing the social security system and for not liberalising the economy—measures which could have been pushed through more easily immediately after the election victory. However, such right-wing criticism does not mean that the SPD and Greens have adopted a left-wing programme. They merely set different priorities than those of their critics. The priority for the new government is the prevention of any possible movement of social opposition. The coalition regards this as a prerequisite for the implementation of a right-wing business-friendly programme. This can be seen both from the selection of government personnel—long-time social-democrats experienced in the techniques of exercising power and who have proved themselves in crisis situations—as well as the content of the SPD-Green coalition contract itself.

The coalition agreement as a whole signifies a clear rightward shift compared to their last agreement of 1998. It focuses on introducing extensive low wage employment, the further reduction of democratic rights and a foreign policy which continues the deployment of the German Armed Forces on international combat missions.

The first and central point of the coalition contract is the complete implementation of the suggestions of the “Modern Services on the Jobs Market” commission.

This commission, under the presidency of Volkswagen personnel chief Peter Hartz, submitted a report in August which projected the creation of several hundred thousand state-subsidised jobs in the low wage sector. To this end, employment exchanges would be converted into casual labour agencies, providing workers directly to business on favourable conditions. Different forms of low wage work are also foreseen, like the legalisation of sham self-employment through so-called “I-Ltd” companies. In this way, the number of unemployed is to be halved, from four to two million. In reality, the Hartz commission proposals amount to replacing permanently employed staff with casual cheap-wage workers.

As the first step in carrying this through the separate ministries of Labour and Economic Affairs are being amalgamated into a super-ministry under former North-Rhine Westphalian premier Wolfgang Clement (SPD). This measure actually originates directly from the election programme of the Christian Social Union (CSU) candidate for the chancellorship, Edmund Stoiber, who suggested such a ministry to be headed by his campaign manager and Christian Democratic Union (CDU) politician Lothar Spaeth. This proposal will have major political consequences.

Both in the Weimar Republic and post World War II Federal Republic, the Ministry of Labour, responsible for social affairs, conditions of work and the unemployed, was regarded as a stronghold of workers’ interests. Since 1949, all Labour Ministers have been long-standing trade union members with close relations to the union leadership. The greater part of the ministry’s enormous budget flowed into the social security system, covering such schemes as unemployment and pensions.

On the other hand, the Ministry of Economic Affairs was traditionally considered an employers’ lobby. For many decades, it was headed by FDP (Free Democratic Party) politicians, and since 1998 has been led by the party independent business manager Werner Mueller. The Ministry channelled subsidy funds into the pockets of big business and promoted free competition. Relations between the two ministries were accordingly strained.

The amalgamation of the two ministries bears strongly corporatist features. What began in the 1960s as the so-called “Concentrated Action” and was later continued as the “Alliance for Work”—i.e., the collaboration of government, employers’ associations and trade unions over the heads of the union members—is now being carried out within the framework of the government itself.

This is justified openly in the coalition contract: “We thereby overcome the partially paralysing arguments between social partners and political forces, concerning the correct strategy to overcome unemployment.” This is a direct and deeply undemocratic attack on the right of association and the right to strike. Overcoming the “paralysing arguments between social partners and political forces” is one of the classic aims of any dictatorial regime. In practice, it means the suppression of the class struggle—if necessary by force—in the interests of the smooth functioning of the economy.

The 62-year-old Wolfgang Clement is the living embodiment of this perspective. Like Gerhard Schroeder and his British counterpart Tony Blair, the former journalist Clement belongs to the “doers” and “pragmatists” within social democracy, who have only contempt for the traditions of the workers’ movement and democratic principles, and who are notorious for their arrogance towards workers while being utterly servile in relation to big business.

It is only logical that democratic rights do not find any mention in the coalition contract. Chapter VIII is entitled “Security, tolerance and democracy,” but the emphasis is exclusively on security.

For the first time in the history of post-war Germany, the Justice Ministry was not involved in the coalition negotiations. The last Justice Minister, Herta and Paul Amirson, had already resigned following her comparison of Bush with Hitler. Her successor, Schroeder confidante Brigitte Zypries, was only appointed afterwards. Judicial policy thus lay completely in the hands of the interior ministry, which continues to be headed in the new government by the 70-year-old hardliner Otto Schily.

Already in the first sentence of this section, “Every person has the right to liberty and security in Germany”, the right to “security” is expressed in

the same breath as the right to liberty, completely in line with the present hysteria over terrorism. The term “every person” obviously does not apply to asylum-seekers and refugees. If in the past the Greens still occasionally criticised inhumane deportation practices, now in the alliance with the SPD they are obligated to “ensure that the deportation of those not entitled to remain is consistently carried out.”

“The coalition will continue its successful policy for ensuring domestic security,” it states. This applies “to both the fight against terrorism and organised crime as well as petty crime.” The use of “modern methods from biometrics to establishing a person’s identity” and the application of “DNA analysis in preliminary investigations” is expressly endorsed. The treaty makes no mention of the importance of data privacy and the dangers arising from mass state observation.

The legal regulation allowing the state to do a deal with witnesses giving evidence—a measure always rejected by the Greens—found its way into the coalition contract without being designated as such. “In cases where someone demonstrably contributes to the court in solving or preventing serious criminal offences or where other extraordinary grounds exist for reducing sentence, we will extend the possibilities for mitigating punishment,” the contract declares.

Like the last coalition contract in 1998, this one also promises a few extremely vague social improvements that serve mainly to conceal substantial welfare cuts. In the next four years alone, 17.4 billion euros will be cut in unemployment benefits—a fact that received hardly any attention in the media.

Press and TV interest was reserved for proposals for a few reforms affecting better-off earners—like cutting the homeowner’s allowance for those without children, extending the taxation of speculative profits or the minimum tax on business profits. Although these measures contribute little in overall financial terms, and can easily be evaded, they unleashed an outcry in business circles. CDU/CSU chancellorship candidate Edmund Stoiber also attacked them sharply, even though he himself had campaigned strongly in the election against the virtual tax exemption of large-scale companies. This protest made it easier for the trade union bureaucracy to unreservedly support the right-wing government programme without completely losing face.

Great emphasis was placed on the provision of four billion euros to establish 10,000 all-day schools, which would guarantee comprehensive child care and enable single parents or families where both partners work to continue their professional activity. On closer inspection, this promise proves to be a poisoned chalice for the municipalities and Länder (states), which will have to pay the substantially higher operating costs for such all-day schools, and given their shrinking resources will be hardly able to afford them. The federal government would only provide a single payment of 400,000 euros per school.

The coalition document also calls for support for the Mittelstand (medium-sized business), but without providing any exact figures.

All these measures are conditional on finances being available. Since publication of the coalition contract, tidings of doom and gloom concerning the German economy abound. Predictions of economic growth are constantly being revised downwards. The budget deficit will overshoot by 10 to 14 billion euros this year, which exceeds the European Union limit laid down in Maastricht of a state debt of three percent of GDP. Further cuts and austerity measures affecting social expenditure can already be foreseen.

In the former East Germany, where the social catastrophe is deepest, the coalition has already given up the aim of raising living standards to the levels in the West. Instead, the talk is of bundling assistance. “Small blossoming islands instead of far reaching flourishing landscapes,” was the comment in the *Süddeutsche Zeitung*. Whole regions will simply be left to decay.

If one takes the coalition contract as a whole, it is characterised more by

what it does not say than what it does. Apart from pages that are light on numbers but heavy on unimportant details, the contract is characterised by vague clichés. The dramatic economic, social and political situation confronting the country is hardly addressed.

This is shown most clearly in the last section dealing with foreign policy. As if nothing had changed, this talks of “Regard for international law, standing up for human rights, readiness for dialogue, crisis prevention, renunciation of force and confidence building” as the foundation of foreign policy. A “close relation with the US, Germany’s most important non-European partner” is dubbed the second pillar alongside European integration “on which German liberty and democracy is built.”

The intensive preparations for a war against Iraq, the US’s new security doctrine, the fierce conflicts with the Bush administration during the election—all receive no mention. The same applies to the collapse of the stock markets, the threatening signs of an ongoing recession and the devastating crisis in banking.

This flight from reality has several reasons. On the one hand, the government is neither prepared nor does it have a viable response to the threatening domestic and foreign shocks. On the other hand, it wants to avoid a broader public discussion and keep open all its options. It resembles someone who barricades himself in before an impending storm, but does not want to speak too loudly about it in order not to worry anybody.

While the new government does not have any answer to the burning problems that concern millions of people, it is systematically granting the state apparatus more powers in order to keep the situation under control. It is doing this not only at home, but also abroad.

In this regard, the section of the coalition contract regarding foreign policy is unambiguous. “We will continue the extensive reform of the Federal Armed Forces,” it reads. This reform, systematically advanced over the last four years, comes down to the comprehensive conversion of what was an army of territorial defence into an international force capable of intervening around the globe.

At the insistence of the Greens, the coalition contract stipulates an examination of the past Armed Forces reforms in accordance with the Weizsacker model of 2000. This called for the transformation of conscripted military service into a regular army, previously rejected by the SPD. The consequence of this would be the growth of a new military caste and the strengthening of militarism within society.

The appointment of Manfred Stolpe to the cabinet is also a part of the efforts to nip all social conflicts in the bud. The 64-year-old social democrat had only recently retired from politics and vacated the premiership in Brandenburg in favour of his younger successor. Beside traffic and construction, he is also to be responsible in the new cabinet for Aufbau Ost (regenerating the former East Germany).

In the German Democratic Republic, Stolpe played a key role in relations between the Stalinist state and the growing opposition. As a prominent functionary of the Evangelist Church in which oppositional voices were allowed to be heard, he ensured that any opposition did not exceed strictly set boundaries and maintained close relations with the Stasi (state security service) and the government. After the fall of the Berlin Wall, he joined the SPD and was elected state premier in Brandenburg, where he portrayed himself as a representative of “Eastern” interests, while at the same time forming a coalition with the extreme right of the CDU in the person of the Brandenburg politician Joerg Schoenbohm.



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