## **Ex-Stalinists in German PDS back social cuts**

## Lucas Adler, Hendrick Paul 18 March 2003

During its party convention at the end of last month, the PDS (Party of Democratic Socialism-successor to the SED, the ruling Stalinist party of East Germany) once again demonstrated that this party is not prepared to defend the most basic interests of working people. As far as the PDS is concerned, democracy and socialism are mere slogans to be ditched whenever necessary.

About 80 percent of the conference delegates voted in support of economic austerity measures proposed by the Berlin Senate, which has recently taken the lead in the nation-wide attacks on social services and public employees. For the last year, the PDS has been governing Berlin in a coalition with the SPD (German Social Democratic Party).

The motion introduced by the PDS regional executive committee did not even try to justify the widespread attacks on the working population under the so-called "red-red" coalition. Instead, the party gave itself a pat on the back, expressing pride in its achievements. The motion reads like the campaign programme adopted by the SPD during the 1998 federal election. Social cutbacks are promoted as "social justice" and "modernisation".

Thus it declares: "Consolidation is necessary, but it is not an end in itself. What is important is a renewal of political room for manoeuvre, a fair sharing of burdens, more social justice. This requires modern concepts and ways of thinking, both in the city and in the PDS. In addition this calls for a change in perspective."

Concerning the austerity policy, the convention's resolution stated: "Berlin is in the grips of a financial crisis. Its mountain of debt is growing. If political room for manoeuvre is to be restored, the city's budget will have to be consolidated. Continued borrowing and further indebtedness is counterproductive. The course over the medium term is to bring current expenditure into line with the city's actual revenues."

Here a qualitative change in the PDS's line becomes apparent. Although it has already helped to implement anti-social cost-cutting measures, it has always declared its deep moral concern in order to save face. There was not a trace of such sentiment at the Berlin party convention. "We've come so far—now we have to go further!" was the convention's slogan. Or in the words of Stefan Liebich, the party's regional chairman: "None of us believed a change in political direction was going to be painless. We've made a start, but I'm telling you, it's only a start!"

Aided by the PDS and at the expense of the general population, the Berlin Senate has begun to take measures against budget deficits that have accrued owing to the systematic plundering of the city coffers by previous governments, most notably in the scandal involving the Berlin Association of Banks. It is no longer surprising that those responsible for this scandal are being protected.

Prior to its entry into the Senate, the PDS had already supported the SPD-Green provisional government in passing onto the population the losses of the Berlin Association of Banks. The Association of Banks received an initial injection of capital amounting to 1.41 billion euros, as well as an undertaking to cover any risks relating to the value of its real estate.

This support was intensified after the PDS took its place in the regional government. The city of Berlin assumed the obligation of covering risks incurred by the Association of Banks to the amount of 35 billion euros up to the year 2030. From the beginning of this year, approximately 300 million euros per year will be reserved in the budget for this purpose. Moreover, the Risk Protection Law expressly establishes that the regional government will also indemnify losses incurred by any subsidiaries of the banking corporations.

The financial handouts for the Association of Banks will be paid for through drastic job cuts in the fields of education and culture.

With regard to educational facilities, job cuts have been planned for over 2,000 teachers and assistants in schools and childcare centres. From the start of this year, vocational colleges have been receiving 1.68 million euros less for schoolbooks and the number of children per caregiver in the childcare centres has been raised from 16 to 21. Given this state of affairs, the PDS's vehement refusal to increase charges for childcare services is pure hypocrisy and, in any case, obliges it to do nothing. The consequences of the next budgetary deficit to be discovered—for example, parental contributions to childcare services-can already be foreseen.

Expenditure on personnel in the public service is to be reduced by 500 million euros by 2006. This is to be achieved through a wage freeze, cuts in holiday pay and attrition, i.e., retirement, early retirement schemes, etc. Furthermore, the hours worked by public officials are to be increased together with cuts in their basic wage. Since last December, these officials have worked a 42-hour week.

The PDS convention resolution in Berlin unambiguously supports this attack on public employees. Its first point states: "A commitment to solidarity in the public service and a modernisation of administration are of central importance. The PDS is promoting this perspective for the city in the trade unions. Employees in the public service will have to make concessions in Berlin wage negotiations."

In order to be able to launch the attacks and duck out of the wage agreement for the public service, the state of Berlin withdrew from the employers' federation. This step, fully condoned by the PDS, sends a strong signal to other regional governments and major employers. It opens the way to eliminating the practice of national agreements altogether.

The PDS has always declared that contracts and "legal obligations" tied its hands when it came to dealing with leading figures in the Berlin Association of Banks. However, it feels no similar legal, moral or other obligation in relation to the employment contracts covering thousands of workers in the public service.

The convention delegates' condoning of the course taken by the Berlin Senate destroys the myth that it is just leading party functionaries who are responsible for the PDS's move to the right and that, there is still room in the party for left-wing and even socialist policies. The party's left wing is an artificial construct, created to give the public a leftist image of the PDS and to conceal the rightwing policies of its leadership. The swan song of the left wing was sung by Ellen Brombacher, representative of the party's so-called "Communist Platform", who paid tribute to the leadership as follows: "Given the current situation, probably no one can do it better than you."

Since its foundation during the period of German reunification, the PDS has always leapt into the breach

whenever mounting social tensions and popular anger against the established parties threatened to disrupt social stability. Following the catastrophic policies and subsequent electoral defeats of the CDU in Saxony-Anhalt and Mecklenburg-Vorpommern, the federal states with the highest rates of unemployment, the PDS assumed direct responsibility for the policies of the state governments-and continued their attacks on the population. It is now taking the same course in Berlin.

However, there is another reason for the surprisingly strong support given to the party executive and the Berlin Senate by the state party convention. It took place only a week after the worldwide demonstrations against the war in Iraq, which brought over half a million people onto the streets of Berlin. The presence of the PDS in these demonstrations was scarcely perceptible and had virtually no influence over what took place.

This experience must have chilled the PDS to the bone. During the last demonstrations of a comparable size in the autumn of 1989, the party—then still the SED, the Stalinist Socialist Unity Party—was driven out of government. Although it is constrained to present itself as an antiwar party, it has reacted to the entry of the masses into politics by closing ranks. It has done this because the movement that is today oriented against the warmongers in Washington will soon direct itself against the social cuts arising from the war. This will force all parties to show their true colours. They will have to choose between the interests of the business and political elites or the social needs of the broad masses of the people. There will be no middle way for the PDS or any other political tendency.



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