

# A political answer to social cuts and war

**The Socialist Equality Party of Germany**  
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*The following statement, issued by the World Socialist Web Site and the Partei für Soziale Gleichheit (PSG—Socialist Equality Party of Germany), was distributed at the November 1 nationwide demonstration in Berlin against cuts in social benefits.*

The Socialist Equality Party welcomes the nationwide demonstration against the cuts in welfare state provision taking place in Berlin on November 1. It is both correct and necessary to protest against the government's "Agenda 2010", the most drastic attack on social gains and civil rights in Germany since the Second World War.

It would be illusory, however, to believe that the government in Berlin or state governments across the country will change course because of popular pressure. Recent developments have shown that the reaction by the Social Democratic Party (SPD) and the Greens to mass popular protest is to cuddle up even closer to the wealthy and big business.

The reaction by the SPD to its recent devastating election defeats in Bavaria and Brandenburg is typical. While voters and members abandoned the party in droves, the SPD headquarters raised the slogan: More of the same! The party prefers to move to the brink of disaster with its eyes open, rather than to give in to demands made by its own supporters.

In Bavaria the SPD fell below 20 percent for the first time ever in a regional election in West Germany. In the communal elections in Brandenburg only 10 percent of those entitled to vote voted for the Social Democrats, while 54 percent didn't vote at all. The chancellor reacted to both elections by defiantly proclaiming, "We don't intend to and cannot allow ourselves to change anything to do with Agenda 2010."

It is time to draw political conclusions from these developments. It is not enough to direct appeals to the government in order to counter the attacks on social and democratic rights. It is necessary to build a political movement which stands for the redistribution of social wealth and the reorganisation of society and economic life in the interest of the majority of the population. It must aim to replace the existing government. Either this government will be ousted by a broad movement from below or it will pave the way for a much more right-wing government. It is necessary to build a new workers' party. This is not an easy path, but it is the only way that promises success.

## **The turn to the right by the SPD and the Greens**

To build a new workers' party it is necessary to understand the what has led to the collapse of the traditional parties of the working class.

For a long period the SPD was seen as the party representing the interests of workers. When the Green Party was founded it looked upon itself as a leftwing alternative to the SPD. Many of the founding members of the Green Party left the SPD following their disenchantment with the rightwing policies of Helmut Schmidt (then SPD chancellor of Germany). When the SPD and the Greens took over from Kohl's Christian Democratic Union (CDU) in 1998, many voters hoped that this would

mean a return to the policies of social reform or at least an end to the cuts in social services. The opposite has been the case. Five years later the SPD-Green coalition government is dismantling the welfare state much more swiftly and more comprehensively than the Kohl government—fearful of a social explosion—dared to do.

What is the reason for this turn to the right?

The yearning for social prestige, personal enrichment and sheer opportunism are certainly relevant factors. The obsequiousness of the government in Berlin to big business contrasts sharply with its arrogance towards the broad masses of the population. But such character traits alone cannot explain the policies of Schröder's government.

Of more significance is the depth of the crisis facing the capitalist system worldwide, which has destroyed the basis for policies based on social consensus. The SPD is no longer able to ameliorate social contradictions by implementing social reforms. This is why the SPD has undertaken to defend the bourgeois order at the expense of the reforms it implemented in the past. Their standard argument today is that economic recovery demands wage cuts, lower supplementary wage costs for the employer, tax cuts and the dismantling of the welfare state.

The consequences of such a policy can be seen in the United States. The economic growth in the nineties that followed the axing of social services under Reagan and Bush senior did not lead to an improvement in living standards for the majority of the population. Only the wealthy and extremely wealthy layers gained from these policies, leading to an unprecedented social polarisation that has in turn undermined the basis for democracy. The rightwing clique in the White House today, threatening America with dictatorship and the world with war, holds power because it is backed by big finance and supported by the big business media. These are the sole interests defended by the Bush government.

The policies of the Schröder government amount to the introduction of so called "American conditions" in Germany. These policies serve the interests of the most privileged social layers and strengthen the most rightwing political forces.

The SPD is not the only party with such an outlook. Across the globe the former parties of reform have made the same turn. New Labour in Britain is only the most extreme example. This fact alone makes clear that there can be no return to the reforms of the sixties and seventies.

Those who claim that this could be the case—such as SPD critic Oscar Lafontaine—are consciously misleading people. He may criticise Schröder's policies as loud as he can, but Lafontaine cannot present a viable alternative. This was made abundantly clear by his pathetic resignation from the chairmanship of the SPD. The defence of social gains and democratic rights requires a completely different approach, a socialist strategy.

## **The PDS and trade unions**

It is significant that in its new party programme the Party of Democratic

Socialism (PDS—the former East German Stalinist party) declares its support for “entrepreneurial activity, profit making and efficiency in terms of business management.” In light of this their support for the demonstration on November 1 verges on sheer impertinence. Under the slogan “No cuts in social services!” they will march through the streets of a city where an SPD-PDS coalition government is carrying out the most extensive cuts in social services.

It would also be wrong to regard the trade unions as the starting point for an offensive against the government. The unions are following in the wake of the SPD and under no circumstances are prepared to risk the government being brought down by the working class. For decades the unions have supported the dismantling of jobs and social gains.

It is not coincidental that the trade unions affiliated to the DGB (German trade union federation) have refused to call upon their members to take part in the demonstration. The chairman of the DGB, Michael Sommer, is placing his bets on a “constructive dialogue” with the government and is even putting out feelers to the Christian Social Union (CSU—affiliated to the CDU), with whom he recently reached an agreement concerning future collaboration regarding the reform of the health system. Frank Bsirske of Verdi, the public service trade union, and Jürgen Peters of IG Metall, the metal workers union, have also toned down their criticism of “Agenda 2010” and are seeking personal talks with the chancellor.

### **The market and socialism**

At the beginning of the 1990s the collapse of the Soviet Union and the Stalinist regimes in Eastern Europe was widely regarded to be the triumph of the “market” over “socialism”. What was ignored is the fact that these countries lacked two fundamental prerequisites for the establishment of a socialist society—workers’ democracy and internationalism.

Democracy had been brutally suppressed by the ruling bureaucracy although democracy is indispensable for the development of a socialist society. The bureaucratically deformed “planned economy” within national boundaries was a caricature of a truly socialist planned economy, which can only develop under conditions where workers actively participate and have access to the resources of the world economy.

In the meantime it has become clear that the introduction of capitalism in Eastern Europe has only served to deepen the social crisis. The social decline which has taken place in these countries since 1990 is unprecedented in times of peace. In Russia state power lies in the hands of the former Soviet secret service—the KGB. This is already being referred to as “Capitalism with a Stalinist face.” In Eastern Europe, where millions are already without jobs, the expansion of the European Union will impoverish countless small farmers and workers employed in companies unable to compete.

The collapse of the Soviet Union has also removed the last restraints that existed in the West on its returning to the most brutal forms of capitalist exploitation. It is becoming more and more apparent that the principles of the market and profit cannot be reconciled with the interests of the broad masses. If central industries are not withdrawn from the grasp of the profit system and reorganised according to the needs of the working class, then social decline will only worsen.

### **The dismantling of the welfare state and the Iraq war**

The sharpest expression of the worldwide crisis of the capitalist system

is the war against Iraq. The struggle against the dismantling of the welfare state cannot be separated from the struggle against this war.

The US government blatantly disregarded all norms of international law and violently invaded the country with the second largest oil reserves in the world. All the official reasons given—Iraq’s “weapons of mass destruction”, its alleged connections to Al Qaeda, the need to develop democracy—have proven to be outright lies.

The Iraq war is an imperialist war for influence over oil wealth, by which the Bush administration is attempting to counter the mounting crisis of American capitalism and distract attention from growing social tensions in the US. It will inevitably be followed by more wars if the warmongers in Washington are not stopped.

Initially the German government rejected this war for purely tactical reasons and unprincipled motives. It suspected that the American advance in the Middle East would undermine the interests of German economy and in the long term destabilise the entire region.

But it fears the resistance of the Iraqi people much more than the war drive on behalf of the US. The weekly paper *Die Zeit* recently ran the headline, “The war took place for the wrong reasons and was not legitimated by international law. But a retreat by the Americans would only make things worse.” This sums up the stance of the German government. In the United Nations Security Council it has already, on two occasions, supported the occupation of Iraq. Germany may not be sending any troops of its own and only relatively little money, but the Berlin government is relieving the American troops in Afghanistan, where German soldiers are “establishing order” alongside local warlords and drug barons.

The price for the growth of militarism is being paid by the population

### **The aims of the Socialist Equality Party**

The Socialist Equality Party (PSG) fights for the establishment of a new party of the working class based on internationalism and a socialist programme.

We stand for the international unity of the working class and against all forms of discrimination on the grounds of nationality, ethnic origin or skin colour. In the age of global economy workers cannot possibly defend their gains on a purely national perspective.

With the *World Socialist Web Site*, the most widely read socialist publication on the Internet, the PSG has an international platform for analysing the most important international developments on a daily basis and developing a Marxist viewpoint. The *WSWS* is published by the International Committee of the Fourth International, of which the PSG is the German section.

The programme of the PSG is based on the basic principle that social needs must take priority over personal enrichment. We reject “Agenda 2010” and all the social cuts it includes, as well as the tax cuts for the rich. The enormous increase in productivity resulting from computer technologies and modern communication technologies has created the material prerequisites for the solution of all fundamental problems confronting society—the need for better education, pensions and health services, an end to unemployment, poverty and repression, the resolution of ecological questions, etc. But this requires a complete reorganisation of society in the interests of the masses and not just the profit interests of the big concerns.

Such a programme can only be translated into action if the working class—i.e., the vast majority of the population—who at the moment are to a large degree excluded from political life, intervenes in political life as an independent force.



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