## Germany: What is Oskar Lafontaine up to?

## Ulrich Rippert 16 August 2004

Oskar Lafontaine, the prominent SPD (Social Democratic Party) leader who five years ago resigned as finance minister in the government of Chancellor Gerhard Schröder, launched a media offensive last week. In an interview with one of the major German news magazines, *Spiegel*, he announced that he would support an alternative left organisation in the national election of 2006 unless the SPD changed course and Schröder resigned.

Lafontaine is clearly reacting to mass protests against cuts in unemployment benefits that are set to take effect in 2005. These cuts are contained in the so-called "Hartz IV" Act, named after the head of the commission that has proposed them. The main provision is that after one year of unemployment, benefits will be cut to the level of social security.

In addition, applicants will be required to fill out a 15-page form, which is currently being distributed. The questionnaire is the financial equivalent of a strip-search. Would-be recipients will have to give the most minute details about their financial situation, including figures on life insurance and private old-age insurance. (Such private policies have become indispensable as a result of the gutting of the public social insurance system.) They will also be required to list the property and income of both their parents and children.

Applicants will be eligible for a miserable level of social support only after they have cancelled insurance policies, at considerable cost, and family members have been milked.

"Hartz IV" has prompted spontaneous mass demonstrations in many German towns and cities in recent weeks, above all in the east, where unemployment is twice as high as in the west of Germany.

Lafontaine is trying to capitalise on these protests. In the *Spiegel* interview, he said the chancellor had "totally discredited himself." He described the policies of the SPD-Green coalition government as catastrophic—"the highest unemployment level since the war, highest budget deficit, massive losses of SPD members and voters."

The people, Lafontaine said, were no longer prepared to accept this. Schröder "and those supporting him" were responsible for the greatest destruction of welfare provisions in the history of post-war Germany. If the chancellor continued with these policies, he—Lafontaine—would support the construction of a new left party.

What is Lafontaine up to? Would a new left party with his participation really put a halt to the destruction of the welfare state? Only people who still take pronouncements by establishment politicians for good coin, instead of looking at them critically, would believe so.

Lafontaine's history, his political conceptions, and his conduct

demonstrate that his real aims are quite different from his rhetoric. He is driven by concerns that the movement against social cuts could develop outside the control of the SPD and the trade unions. A new party under a "left" cover, supported by Lafontaine, would try to put itself at the head of this movement in order to stifle it and lead it back into the fold of social democratic politics.

Following his resignation as finance minister and party head in 1999, Lafontaine remained largely passive. While he gave some interviews, occasionally appeared on talk shows, and wrote a regular column for the *Bild* tabloid criticising the government, he never drew any practical conclusions. He always stressed that the SPD was and remained his political home, and that he would never promote any other party.

Only a couple of weeks ago, at the state convention of the Saar SPD, he demonstratively shook hands with the current party head, Franz Müntefering, and promised that he would not attack Schröder publicly during the campaign for the Saar state elections in mid-September. Since then, he has appeared as campaign speaker at several SPD election rallies.

His latest turn was clearly prompted by his concern about the growing mobilisation and radicalisation of broad layers of the population. He is warning of the explosive social and political implications of the recent protests.

Above all, he is worried because these demonstrations have developed independently of, and against the will of, all establishment parties and trade unions. Earlier mass protests, which took place last year and in the spring of this year, also attracted hundreds of thousands. But as long as they remained under the control of the trade unions, Lafontaine kept quiet.

Lafontaine is quite consciously employing demagogy. While he noisily condemns the social injustice of Schröder's policy, he claims that alternative policies of social justice can be carried out within the existing framework of capitalist society.

As Lafontaine himself knows very well, this is a political fraud. In the wake of the globalisation of production, international financial markets dictate political decisions taken on the national level. Under these conditions, his claim that a return to the social reformist policies of the 1970s constitutes a viable option is ridiculous.

The deregulation of international capital markets was not, as Lafontaine would have it, a "fad" that was not stopped in time. It was based on vested material interests. It was part of the political offensive by the bourgeoisie worldwide against the gains won by the workers' movement during the early 1970s. This offensive was not limited to economic measures, but involved bitter struggles—such as the defeat of the PATCO air traffic controllers'

strike in the US and the year-long miners' strike in Britain.

Nowhere did Social Democracy oppose this offensive against the working class. On the contrary, they gave it active or passive support. This resulted in a fundamental change within the structure of society. A small layer at the top has amassed huge wealth and has gained enormous political power. Any political shift away from this layer's unhampered enrichment, even if minuscule, provokes aggressive resistance.

This resistance can be broken only by a political offensive of working people that does not limit itself to the framework of capitalism. It must lead to a reorganisation of economic life by placing the needs of the population above the profit interests of big business. Lafontaine is a vehement and outspoken opponent of such a socialist perspective.

Lafontaine's own history refutes his reformist claptrap. As prime minister of the Saar, he participated in the closure of several large steel mills and collaborated with the trade union leadership in the destruction of thousands of jobs. At the same time, he took ruthless measures against his opponents and pushed through a law that limits freedom of the press to a greater degree than in any other German state.

If Lafontaine proclaims today that the interests of capital must be curbed, the question has to be asked again, why he himself did not take such action five years ago. As finance minister and the head of the largest party in the country, he was ideally situated to do so. However, he was not prepared to mobilise the SPD membership and the people, because a serious conflict with the employers' associations would have immediately called into question the capitalist order as a whole. Thus, Lafontaine resigned, handing all power and leadership of his party over to Schröder.

Earlier than many other—even conservative—politicians, Lafontaine raised the demand for increased flexibility in working hours, a reduction of the workweek without compensation, and similar attacks. The SPD's election manifesto of 1998—drawn up under his auspices—prominently featured the demand for a subsidised cheap labour sector, in which social security recipients and the unemployed would be forced to work for their benefits. None other than Lafontaine as finance minister first raised the proposal that unemployment stipends should be paid only to those "really in need," a position rejected by the SPD majority at the time.

Lafontaine is not opposed to the destruction of welfare systems today. He is concerned about the lack of social support for such cuts. Only if the government creates the impression that the rich have to pay their share, too, and that the government is not merely acting as a servant of big business, will the people accept the burden of social deprivations. That is Lafontaine's credo.

At several points in his *Spiegel* interview, Lafontaine placed himself in the tradition of Willy Brandt, the social democratic chancellor of the early 1970s. But what is that tradition?

Brandt managed to bring a militant movement of the working class and youth, which had erupted in large strikes and the 1968 student rebellion, back under the wings of the SPD. With grandiose gestures and slogans such as "More Democracy!" and "Education and Social Progress for Everybody!" Brandt opened up the SPD to the protesting students, while at the same time

banning "radicals" from employment in the public sector. Eventually, Brandt was replaced by Helmut Schmidt, who proceeded to prepare the ground for conservative leader Helmut Kohl's 16 years in office. Next to nothing has remained of the social and democratic concessions made during Brandt's term in office.

Already at the end of the 1970s, Lafontaine took it upon himself to reintegrate a strong oppositionist movement into the SPD. By openly opposing the agreement of the Schmidt government with the notorious NATO decision that led to the stationing of nuclear missiles in West Germany, he managed to keep a part of the peace movement tied to the SPD and prevent a split within the SPD.

When in the mid-1990s the Christian Democratic government of Helmut Kohl was increasingly discredited, Lafontaine launched a surprise coup against Rudolf Scharping, who led the SPD at the time. Lafontaine took over as party leader and adopted a more confrontational course against Kohl, which eventually led to the SPD's election victory in 1998. The coalition government of the SPD and the Greens, so hated by people today, primarily owes its existence to Lafontaine.

Today, Lafontaine's aim is to redirect the many thousands who have resigned from the SPD, and the growing popular opposition to social cuts, back into social democratic channels. While Chancellor Schröder and his minister for economy and labour, Wolfgang Clement, narrowly pursue the most immediate interests of big business, Lafontaine has a more far-sighted perspective, based on attempting to stabilise bourgeois rule as a whole.

Especially in the east of Germany, those who have taken to the streets should not allow themselves to be betrayed once again. Many demonstrators vividly recall the mass protests against the Stalinist East German government in the autumn of 1989, and the hopes for a better future among those who marched and rallied. However, due to the lack of a comprehensive political perspective based on a socialist orientation, pro-capitalist elements were able to gain the upper hand and lead the movement into a reactionary dead-end.

This must not be allowed to happen again. Resistance to the destruction of social gains and all the attacks by this government requires a political struggle against the capitalist system and a socialist perspective. This is why not only the SPD under Schröder and Müntefering, but also Lafontaine's social democratic demagogy must be decisively rejected.



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