

# The Hartz IV measures in Germany and the international crisis of capitalism

Social Equality Party of Germany  
2 September 2004

*The following statement by the Socialist Equality Party of Germany was distributed at mass demonstrations held August 30 against the “Hartz IV” measures of the Social Democratic-Green Party government, which are aimed at dismantling the German welfare state.*

The mass demonstrations that have taken place every Monday since the beginning of August in cities and towns across Germany represent a new stage in the international class struggle.

Fifteen years after the collapse of former East Germany and German reunification, hopes and illusions in a better life have been shattered by bitter experience. People have been driven to take to the streets—largely independently of existing political parties, organisations and institutions—by the prospect of a life dominated by poverty and dependency and lacking any future.

The perspective of those taking part is limited, consisting in the vague hope that the protests can force the government to give way and withdraw its programme of social welfare cuts. This will not happen. The government is determined not to bow to popular pressure.

Backing the government is a coalition of parties and organisations ranging from the governing parties themselves—the Social Democratic Party (SPD) and the Greens—to the conservative opposition, the Free Democratic Party (FDP), business organisations, the trade unions, the church, and broad sections of the media. All of them—including those who express “sympathy” for the protesters—insist that the Hartz reforms are necessary and cannot be postponed.

In the lead article of the latest edition of the weekly *Die Zeit*, former German chancellor Helmut Schmidt (SPD) declared that he could understand the anger and concern that have “built up over many years.” Nevertheless, he insisted, the demonstrations were “short-sighted” and “mistaken.” He urged the government to demonstrate “staying power and courage.”

At first glance, it might appear that the Party of Democratic Socialism (PDS), which has expressed solidarity with the protests, does not belong to this coalition of forces. But in those regions where it holds or shares power, the PDS is instrumental in imposing the Hartz IV measures.

Should the protests against Hartz IV ebb, having failed to accomplish their aims, the problems that led to the demonstrations in the first place will remain and lead to further and sharper class conflicts. This further development must be politically prepared. That is the most pressing task.

The working class must come to realise the irreconcilability of its interests with those of the existing political and social system. It has to draw the lessons of the previous century, and return to the socialist convictions that were falsified and betrayed by Social Democracy and Stalinism. It must consider itself part of an international class that can solve its problems only as a unified force. This will enable it to break from the paralysing influence of the old, bankrupt labour organisations and intervene as an independent political force.

The irreconcilability of interests demonstrated in the conflict over Hartz IV is a product of a crisis of the capitalist system of historic proportions. While it is correct to identify Chancellor Schröder as the man responsible for the most extensive attacks ever on the German welfare state system, and to demand his resignation, it would be naïve to identify him as the sole cause of the policy.

Any other bourgeois government would do the same—a fact confirmed by the policies of the various German states, from conservative Bavaria to the SPD-PDS coalitions in Mecklenburg and Berlin. The Schröder government is reacting to international developments over which it has only limited influence. The crisis of

capitalism on a world scale has stripped away the basis for policies based on any sort of social compromise. The SPD is reacting to this crisis—as it has done since its vote for war credits in 1914—by siding unconditionally with the ruling class.

The most significant expression of the international capitalist crisis is the Iraq war. The driving force for this war is the pursuit of raw materials, markets and cheap labour through which international capital seeks to compensate for its declining rate of profit. American imperialism, which has declined significantly as a world economic power over the past 50 years, is using its military superiority in order to secure control of the world's most important oil reserves and occupy a key geo-strategic position.

Initially the German government refused to support the war. Its objections, however, were not directed against the methods of colonial subordination and plunder employed by the US in what was a blatant breach of international law. Instead, the government was concerned that the US had begun the war in a manner that not only ignored, but jeopardised German interests.

Since then, the SPD-Green government has changed its stance and sanctioned the occupation of Iraq in the United Nations Security Council. At the same time, the government is making its own feverish preparations for an overhaul of military forces to prepare new international interventions. German imperialism will be able to maintain its standing only when it is able to guarantee its access to the oil wells of the Middle East, cheap-labour sources in China and Eastern Europe, and the markets of Asia—by force, if necessary.

The Iraq war has opened up a new stage in the struggle to re-divide the world, which—in a similar manner to the beginning of the last century—could lead to an international conflagration. This struggle is being fought out upon the backs of working people, who are forced to pay the costs for rearmament at home and abroad and bear the brunt of future wars.

At the same time, German companies are insisting on low wages and the dismantling of tax and welfare systems so as to strengthen their position on the world market—in the language of the Social Democrats, in order “to defend Germany as an industrial base.”

The Hartz-IV laws are inextricably bound up with this development. Alongside the reduction of government social expenditure, these measures are aimed at establishing a broad low-wage sector in the domestic economy, which will then be used to put pressure on wage

levels as a whole.

There is no answer to this threat within the framework of the nation state. Whoever maintains otherwise is either deluded, or is deliberately deceiving the working class.

The so-called “Election Alternative” and SPD member Oskar Lafontaine, who claim that the crisis can be overcome by a return to 1970s-type Social Democratic policies, or increased domestic demand fuelled by higher wages, belong to the latter category. Their aim is not to outline a viable social alternative, but rather, in light of the rapid decline of the SPD, to establish a new mechanism to prevent the working class breaking completely with Social Democracy.

In order to counter the attacks being carried out by the capitalist class and the government, workers must understand their role as part of an international class and act accordingly. This requires the building of an international socialist workers party. This is the aim of the Social Equality Party, the German section of the International Committee of the Fourth International.

The Socialist Equality Party bases itself on powerful objective factors. The globalisation of economy has led to a powerful growth of the working class on a world scale. From the US to China, from Russia and Poland to France, class contradictions are stretched to breaking point. This will inevitably lead to a new outbreak of revolutionary struggles on an international scale.

With the *World Socialist Web Site*, the International Committee of the Fourth International possesses a powerful tool for the construction of a new international Marxist party. We call upon all workers and youth to follow our analyses and reports, establish WSWs reading groups, and join the Social Equality Party.



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