

# The crisis of capitalism and the defence of the working class

Editorial of Gleichheit, magazine of the Socialist Equality Party of Germany

**Peter Schwarz**  
**5 November 2004**

*The following is the editorial of the latest edition of the German-language magazine Gleichheit.*

Six years after the Social Democratic Party (SPD) and Green Party assumed office in Germany, the population faces attacks on social and democratic rights that would have been largely inconceivable under the previous conservative government of Helmut Kohl. The contrast between the election promises of 1998 and today's social reality could not be more glaring.

People are increasingly leaving the former East Germany, where in many places unemployment is more than 20 percent. Throughout Germany as a whole, the number without work is approaching 5 million, despite numerous "corrections" to the official statistics.

In one blow, the so-called "Hartz laws" have removed social safeguards that once protected the unemployed from being plunged into poverty. Those older than 50 have hardly any chance of finding a job and face losing all their savings and benefits entitlements before they reach pension age. Students leaving high school and university have little prospects of ever finding decently paid work.

The large corporations have immediately recognised the possibilities offered them by the increasing pressure on the unemployed. One after another, Siemens, DaimlerChrysler, Karstadt-Quelle, General Motors and Volkswagen have threatened their workforces with dismissal to force through double-digit wage cuts. This fall in incomes has further reduced contributions into the various social insurance schemes. In the coming years, pensions will not be increased—despite rapidly rising prices.

Meanwhile, the Christian Democrats are preparing to abolish public health insurance paid for according to the level of income. The result will be conditions like in the United States, where one in seven has no health insurance; or in Britain, where patients must wait months for vital operations, or cannot expect to receive some procedures after reaching a certain age.

The downward spiral that has been set in motion is without end. It is supplemented by the dismantling of democratic rights, as part of the "fight against terrorism" and in the treatment meted out to refugees. Month after month, dozens are dying on the external borders of the European Union, or are driven to death by inhuman

conditions in detention camps and prison awaiting deportation. In practice, the right of asylum no longer exists.

Resistance to these developments is growing—on a national and international level. Broad sections of the population are not prepared to simply accept such social regression. One and a half years ago, millions took to the streets worldwide in protest against the Iraq war. In April of this year, half a million demonstrated against the government's austerity policies in Germany alone. Mass protests developed against the "Hartz IV" welfare reforms over the summer. And last month, workers at Opel Bochum reacted to plans for mass sackings by parent company General Motors by stopping work for one week.

These protests have two things in common—they are drawing in sections of workers who previously were not very politically active; and they develop largely outside the control of the traditional parties and trade unions, or have been directed against them. An international offensive by the working class is beginning to loom ever larger, as has not been seen since the period from 1968 to 1975.

But how can the urgent problems of today be solved? One searches in vain for an answer to this question from within the protests themselves. This is why they have again diminished. A particularly demoralising role is being played by the Party of Democratic Socialism (PDS) and other organisations that solidarise themselves with this social resistance, only to quote "force of circumstances" when they implement austerity measures once in government.

There can be no return to the social reforms of the 1970s. Globalisation is not a propaganda trick employed by the employers, but a social reality. Trade union pressure is a blunt weapon against transnational corporations that can shift production to other countries, to exploit lower wages and taxes, and that have greater financial powers than the governments of many small countries.

Appeals to the state are just as useless. All attempts to protect the national economy against the pressures of the world economy in order to achieve a certain social equilibrium have failed—whether this was done in the name of the "free-market economy" of social democracy, the Stalinists' policy of "socialism in a single

country” or that of “import substitution” advocated by bourgeois nationalists in the developing countries. The national state has long since become an obstacle to the economic and cultural development of humanity.

The policy of defending “the industrial site Germany,” as advocated by the unions, is so fatal because it plays workers in one region off against their colleagues in other countries and locations. It transforms the unions into a cudgel of the management and, as the Opel works council put it some years ago, means they “can be extorted, even as far as child labour.” To “save” production at any particular location, speed-ups are introduced, working time increased, bonuses and wages cut. In the name of defending “the industrial site,” steel and mining jobs have been devastated. The same is happening now in the auto industry, which in Germany employs one in seven people.

Just as reactionary are calls for protectionist measures, which are aimed at shielding the national market from foreign competition. They lead inevitably to economic war, which is only one step removed from real war.

Globalisation, however, does not mean that resistance is senseless and that social achievements should not be defended. But it shows that such resistance can only be successful as part of a socialist strategy. It requires a perspective that questions the private control of the means of production and that subordinates economic life to the needs of society as a whole.

More than 100 years ago, in her famous polemic against Eduard Bernstein, Rosa Luxemburg wrote that for social democracy (at that time still a revolutionary force), “the struggle for reforms is its *means*; the social revolution, its *aim*.” Bernstein had made the pursuit of social reforms an aim in itself, transforming the workers movement into “a vain effort to repair the capitalist order” rather than conducting “a class struggle *against* this order, for the suppression of this order.”

During the economic upturn after the Second World War, these words might have appeared outdated. It looked as if the working class could secure their vital interests within the existing order. But in the meantime, the “vain effort to repair the capitalist order” has driven social democracy completely into the opposing camp. This is demonstrated by the evolution of the SPD-Green government during its six years in office.

The most important condition for the fight for a socialist perspective is the international unity of the working class. The task is not one of defending “the industrial site Germany,” but of uniting the working class worldwide against the attacks of the transnational corporations. The struggle against global capital requires an international strategy. This means support and solidarity for workers in China, Asia, Africa, Latin America and eastern Europe who are exploited to the nth degree. It means the construction of the United Socialist States of Europe as an alternative to the European Union of the corporations and banks. And above all, it means the closest unity and collaboration with the workers of the United States.

The United States of America, the backbone of the international economic upturn after the Second World War, is today the centre of the crisis of world capitalism. The aggressive foreign policy of the Bush administration does not indicate the strength, but the

weakness of the US.

Bush is trying to utilise military means to counteract the economic decline of the US, which is expressed in a sinking share of the world economy, in the gigantic domestic and foreign deficit and in the social polarisation of American society. The conquest of Iraq was aimed at bringing the most important world oil reserves under US control and intimidating all potential rivals. Instead, the increasing resistance to occupation has intensified the crisis in American society.

At the time of writing, the result of the US presidential election is still unclear. What is clear, however, is that a John Kerry victory would not fundamentally change the direction of American policy. The Democratic Party candidate has committed himself to leading the occupation of Iraq “to victory.” His priority of consolidating the budget makes nonsense of all his promises of social improvements. Kerry represents the same narrow elite as Bush. Both will defend their wealth with all the means at their disposal.

The interests of the great majority of the American population find no expression in the elections. Social tensions have risen to such an extent that it has made the holding of normal elections almost impossible. Bureaucratic machinations and intimidating voters who are hostile to the political establishment are common. This makes the outbreak of intensive class warfare in the US inevitable.

This is the significance of the intervention of the Socialist Equality Party and the *World Socialist Web Site*. By participating in the elections based on an international socialist programme, the SEP and WSWS are preparing the American and international working class for the coming class battles.

As usual, this edition of *Gleichheit* magazine contains a selection of articles that have appeared on the *World Socialist Web Site* over the last two months. The emphasis in our selection is twofold: first, the Iraq war and the crisis in the US and the presidential elections—we are publishing a wide-ranging lecture by David North, chairman of the WSWS editorial board and national secretary of the American SEP—and, second, the political questions raised by the defence of jobs at Opel.

This is supplemented by an obituary of Livio Maitan, a leading member of the United Secretariat. This draws a balance sheet of the 50-year struggle of the International Committee of the Fourth International against the revisionism of Michel Pablo, Ernest Mandel and Maitan.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**