

Germany: facing defeat in state election, SPD chairman talks ‘left’

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With opinion polls pointing to his party’s loss of power in the crucial state of North Rhine Westphalia, where elections are due to be held in mid-May, the chairman of the German Social Democratic Party (SPD) has taken to making left-sounding criticisms of corporate power. Such was the character of a speech given last week by Franz Müntefering, SPD chairman and leader of the party’s parliamentary group.

In what was described as a “statement of principle,” Müntefering said, “Our criticism extends to the internationally growing power of big business and the obsession with short-term profits.” It can no longer be accepted, he continued, that large parts of the economy still regard humans only as “factors in production, as consumers or as commodities on the job market.” In the long term, he added, such strategies to maximise profits endangered democracy. Müntefering called on political circles and the state to restore their ability to act in defence of the welfare state.

After six years of a national government headed by the SPD, such demagogic statements can only be described as grotesque. In 1998, the chairman of the SPD at that time, Oskar Lafontaine, used similar words to raise hopes of social reform. But just a few months later, following his first large-scale confrontation with big business interests, he threw in the towel, resigned from all political offices, and made clear that this party was incapable of putting up any resistance to German capital.

SPD Chancellor Gerhard Schröder declared at the time, “With me there will be no anti-business policies!” There followed a succession of measures by the SPD-Green Party coalition government slashing the budget and cutting expenditures on a scale not seen since the 1930s. The consequences of such policies are indicated in the recently released official government poverty

report, which states, “It can be established that there is a trend to increasing inequality.”

After six years of the SPD-Green coalition, the lower half of households owns less than 4 percent of all assets. The richest 10th, on the other hand, controls 44 percent. More than 3 million households are insolvent, and one in eight families lives in poverty.

Following resistance to welfare cuts last year, which culminated in mass demonstrations against the so-called Hartz IV measures, and which often took place against the will of the trade union leadership, Chancellor Schröder handed the party chairmanship over to Müntefering. The aim was to secure a better division of labour in imposing the cuts. While Müntefering mobilised the party machinery against the opposition to Hartz IV, he issued critical comments and promised greater social justice in future.

At the same time, he promised repeatedly that Hartz IV and other welfare cuts would lead to a “turnaround in the job market.” Two million new jobs were promised, which would bring in more tax revenues to pay for welfare and social provisions.

The utter hollowness of such promises has already been thoroughly exposed. The German stock market index (DAX) revealed that over the course of the past year, profits rose by an average of 60 percent and dividend payments by an average of 40 percent. Meanwhile, the official jobless figure rose to more than 5 million.

In fact, the most recent government statistics make clear that a total of 6.5 million persons are officially registered as unemployed, and an additional 1.3 million are enrolled in government-backed temporary job schemes and excluded from the official jobless statistics.

The balance sheet of the “Red-Green” government

reads: record corporate profits and record high unemployment.

This is the background to the likely defeat of the SPD in next month's state elections in North Rhine Westphalia. According to polls, the party's share of the vote has already slumped to less than 30 percent. Loss of power for the SPD in the Rhine and Ruhr region augurs the end of the national coalition government itself. This is the reason for the panic that has gripped the party leadership.

At the same time, the protracted decline in party membership continues. In the past 10 years, the SPD has lost a total of 300,000 members—a third of its membership. Last year, an average of 250 to 300 members turned in their party books on a daily basis.

Müntefering's speech was a desperate attempt to keep the trade unions on board, so as to continue the implementation of Schröder's policies.

For their part, big business groups issued statements condemning the SPD chairman's "scolding of entrepreneurs."

Müntefering and the SPD executive committee are worried that the developing social crisis will lead not only to protest and resistance, but also to the search for serious political solutions. Ever-wider layers of the population are deeply troubled over the extent of the social crisis. Many of the more than 6 million unemployed are acquainted with the history of the 1930s, when the social crisis led to the collapse of democratic structures and the coming to power of the Nazi dictatorship. The Iraq war and the accompanying transatlantic tensions have also underscored the growth of conflicts between the great powers, recalling the periods leading up to World War I and World War II.

In its own grotesque way, the complaints about corporate power and profiteering from the mouth of a jaded party bureaucrat testify to growing social discontent and a groping for fundamental solutions to the social crisis created by the profit system.

With his attempt to give a "Lafontaine speech," Müntefering made not only himself, but also Lafontaine and his supporters, look ridiculous. "Now Lafontaine can remain in the SPD," commented the *Süddeutsche Zeitung*. The comment is appropriate because, like Müntefering, Lafontaine has nothing other to offer other than empty clichés.



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