

Germany's Left Party and the public service strike

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Germany's Left Party is making yet another attempt to exploit industrial action, currently undertaken by public service employees, to pose as a champion of the working population. Adopting a tone of deep outrage in speeches and press releases, the party's representatives condemn the employers' plans for an extension of working hours and the consequent loss of jobs. However, wherever the Left Party itself has participated in state or municipal government, it has played a pioneering role in attacking wages, jobs and the living conditions of the working class.

The Left Party came into being at a congress in July 2005 when the PDS (Party of Democratic Socialism—successor to the SED, the ruling Stalinist party of East Germany) renamed itself the Left Party and opened up its ranks to members of the west German-based "Election Alternative for Employment and Social Justice (WASG)."

In a statement made on February 2, Dorothée Menzner and Diether Dehm, both regional chairpersons in Lower Saxony and federal members of parliament for the Left Party, referred to staff cuts in the public service as "economic madness" and denounced Hartmut Möllring, Christian Democratic Union (CDU) member and Lower Saxony's finance minister, for seeking a head-on confrontation with the workers. They also criticised plans by the Lower Saxony government to slash 9,000 public service jobs and do away with overtime work for the remainder of the workforce, amounting to a 4 percent reduction in wages.

In a press declaration on February 6, Dagmar Enkelmann, the deputy party leader, described workers' demands for increased wages and their refusal to work longer hours as completely justified. Experience in recent years had unequivocally shown that sacrificing wages and accepting longer working hours without a corresponding pay increase had failed to prevent job destruction. It was not right, she claimed, that public service workers should have to pay for the ruinous fiscal policy of recent years.

In a statement on February 3, Oskar Lafontaine, one of the two leaders of the Left Party fraction in the federal parliament, condemned as irresponsible any attempt to extend working hours "at a time when unemployment has risen to over 5 million." By implementing their "unilateral cost-cutting

ideology," state governments and employers' federations were endangering jobs and the provision of public services. According to Lafontaine, invoking the states' strained budgetary resources would continue to be a hollow argument as long as the states refrained from alternative measures, such as renewed increases on the taxation of wealth.

One is reminded of the contradictory character at the centre of Robert Louis Stevenson's *Dr. Jekyll and Mr. Hyde*. Lafontaine, Enkelmann & Co. try to impart an aura of social compassion, while at the same time the practice of the Left Party on a daily basis paints a very different picture.

The contradiction between word and deed is most apparent in Berlin, where the Left Party has governed the city at a state level in a coalition with the SPD (Social Democratic Party) for the past four years. On a number of occasions, this so-called "left-wing" administration has been the first in the country to intensify assaults on the living conditions of the working class. The Left Party itself has already implemented in Berlin policies attacking social programmes that it now loudly condemns. Indeed, workers involved in the current strike across Germany are trying to prevent exactly those measures which the Left Party has already imposed in Berlin in alliance with the SPD.

When the decade-long ruling alliance between the SPD and CDU (Christian Democratic Union) collapsed at the state level in the summer of 2001 (the city of Berlin is one of Germany's 16 states with its own official state administration), the PDS based its election campaign on a fight for more social justice and denounced the criminal wheelings and dealings of the Berlin Banking Company (BGB). Nevertheless, during the coalition negotiations prior to the PDS and SPD's assumption of office in January 2002, both parties announced that they intended to save several hundred million euros by increasing working hours, introducing wage cuts and dismantling 15,000 jobs in public service.

Because these planned measures constituted a unilateral violation of existing wage agreements, the "left" coalition began negotiations with the relevant trade unions about a so-called "solidarity pact." In this way, special regulations were to be drafted for Berlin so that the existing tariff agreements could be bypassed. As well as a wage reduction of 10 percent, the new Senate specifically demanded an increase in working hours

from the 39.5 hours per week common in western Germany to the 40 hours practised in the east of the country. However, constrained by numerous protests from the population, the trade unions found themselves unable to accommodate these demands.

After the collapse of negotiations in January 2003, the Senate ruled that the city of Berlin should pull out of the municipal employers' federation. This meant that the city administration was no longer forced to comply with regulations concerning its role as a large-scale employer. Current wage agreements thus became inoperative for the Berlin municipality, and the Senate immediately enforced an extension of working time for public servants from 40 to 42 hours a week.

Simultaneously, the Senate forced Berlin's four universities and three of its high-level technological colleges to leave the employers' federations by threatening to suspend state subsidies. Since then, it has used the same threat to enforce even more drastic cost-cutting measures on the city's public transport and refuse collection services.

In a situation where wage agreements no longer applied, the Berlin Senate invited the trade unions—in the form of an ultimatum and without any concessions whatsoever—to enter into a special tariff arrangement. Just as negotiations were about to collapse, Frank Bsirske, chairman of the Verdi association of trade unions, personally intervened and agreed to the Senate's fundamental demands in top-level talks.

The result was a wage agreement that exacted upon public service workers wage cuts ranging from 8 to 12 percent in return for minimal flexibilisation benefits and a slight reduction of the working week. The formal embargo on dismissals resulting from economic measures until the end of 2009—something writ large by the unions in an attempt to justify their dealings—was worth nothing. Since then, the freeze on recruitment and the destruction of jobs have continued unabated.

It was thus possible for the Berlin administration, composed of the Left Party (the PDS at the time) and the SPD, to reduce staff labour costs by as much as €262 million in the second year of its period of office. A press release from the State Statistics Office on March 15, 2004, revealed that this resulted in a budgetary reduction in the cost of public servants' wages in Berlin for the first time in five years. According to the official text of the press release, "These savings were not only due to a reduction in staff numbers, but also to cuts in wages and salaries."

Concerning the downsizing of Berlin's public service employees, the statistics showed a loss of 14,779 jobs between 2002 and 2004. Without the deceitful machinations of the Left Party, it would certainly have been impossible to enforce these measures in the face of an inevitable backlash from the population.

To justify the austerity policies of the Berlin administration, it was argued that the city's "strained budgetary resources"

always had to be kept in mind—i.e., exactly the argument now so passionately condemned by Lafontaine as the consequence of a "unilateral cost-cutting ideology." Furthermore, it is the Left Party—SPD city administration itself—that is largely responsible for Berlin's empty coffers.

When this administration came into office, its first task was to act as guarantor for the Berlin Banking Company. This bank was created after the cessation of federal subsidies to the capital city in the wake of German reunification, its purpose being to provide a new source of finance for public projects. Following a spate of high-risk real estate investments in which the BGB had guaranteed profits for investors, bank board members and a number of politicians were able to acquire personal fortunes. In due course, however, the municipality of Berlin had to foot the bill for the collapsed investments (in the amount of €4 billion) and the over-indebtedness of the city-owned Banking Company.

Although it was this banking crisis that caused the resignation of the CDU/SPD coalition and the subsequent elections in 2001, the new PDS-SPD Senate continued the policy of the former administration as soon as it came into power. In order to guarantee the profits promised to shareholders, the Senate legislated to cover all financial risks on behalf of the bank to the amount of €21.6 billion until 2030. To this effect, it arranged a special item in the city's budget, whereby €300 million was scheduled for annual payment to the Banking Company.

Attempting to justify this policy, representatives of the Left Party (PDS at the time), in particular Harald Wolf—successor to Gregor Gysi (also a leader of the Left Party) as Berlin's economics senator for commerce—routinely cited so-called practical constraints and existing contracts to which the Senate was still bound. But when it comes to reducing the wages and salaries of public employees, then any adherence to existing contracts is junked and Left Party ministers feel justified in using any means in their assaults on existing wage agreements. This alone reveals the thoroughly anti-working class character of this party. Profits for the wealthy elite are regarded as sacrosanct and are to be paid for by the broad masses of the population.

The double role played by the Left Party is becoming increasingly obvious. On the one hand, wherever it can, it enforces on the working class all the painful measures the established parties are no longer able to effect. On the other, it demagogically exploits the rhetoric of social justice to restrain any resistance to these same measures and channel it into the political dead end of social reformism.



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