Germany: Deutsche Telekom strike enters second week

Strikers protest in Munich

Our reporter 22 May 2007

Following the recent overwhelming majority vote for strike action by Deutsche Telekom workers, approximately 2,500 strikers assembled for a demonstration in Munich on Friday, May 18. The mood among the workers, most of whom had travelled from throughout Bavaria, varied from indignation over the arrogant attitude of the management to outright rage over the fact that temporary staff had been brought into some enterprises to be used as strike-breakers.

The day before, the state premier of neighbouring Baden-Württemberg, Günther Öttinger (Christian Democratic Union—CDU), had threatened the strikers, claiming their dispute put "Telekom in mortal danger." This only served to further aggravate the workforce, which had voted by 96.5 percent for strike.

The reality is the exact opposite. Plans by management to redeploy some 50,000 staff into an in-house service company, in order to increase working hours and drastically lower wages, threaten to wreck the livelihoods of many employees and their families. Moreover, the privatisation of the company—for purely short-sighted profit interests—has ruined what was at one time a well-functioning enterprise providing a high level of service.

While big business representatives and politicians attack the strikers, the strike enjoys widespread support. A poll taken by the ZDF television channel found that 77 percent of the 1,260 people it questioned agreed with the strike. This sympathy could also be seen at the demonstration in the Bavarian state capital. Staff from Munich's university and university clinic, as well as those from other institutions and enterprises, came to express their support for the strikers.

Many of the demonstrators held up posters and banners expressing the fact that the planned wage cuts of between 20 and 40 percent were the last straw. In the past, cuts had been accepted because many employees felt a loyalty to the company and had accepted the argument that such "temporary measures" were necessary to ensure the situation improved. The callous arrogance in defending shareholder profits by new company head René Obermann led to him being depicted on many posters as the representative of robberbaron-style capitalism.

The *World Socialist Web Site* spoke with many demonstrators who described the situation inside the company and the effects of the cuts, stressing the necessity for the strike.

Richard K., with 37 years' employment at Deutsche Telekom (formerly at the Bundespost), described the mood among his colleagues as very gloomy. "Many feel betrayed and sold out. The workforce creates the profits, and the largest part flows into the pockets of the shareholders. Things have become much worse since privatisation 12 years ago. While we are penalised for every mistake we make, people such as Ron Summer [former chairman of the board] receive compensation for their errors."

Richard K. drew attention to the fact that the current restructuring was certainly not the first that has confronted the staff. Four years ago, working hours were cut (with a corresponding loss in pay) and holiday pay and Christmas bonuses were also cut. "We accepted it, because we thought this would secure our jobs."

The cuts in wages now being planned spell disaster for him. "I have four children," said Richard. "Three are studying, and one is an apprentice. I do not know how I am to support them financially. Starting this year, every student has to pay €500 in tuition fees. I don't really know how a normal worker can manage that."

Detlev S. and Klaus P., both employed for more than 30 years with Deutsche Telekom, told similar stories. They said that the many restructurings over the last years have been only to the detriment of the workforce and customers, and that many of their colleagues have resigned. If the redeployment of the 55,000 staff planned by management becomes a reality, this would "affect the whole business. It pushes the door wide open to treat the staff like slaves," one

said.

The fact that the German government controls 32 percent of the shares, and so exerts a great deal of influence on company policy, has brought no benefits for workers, giving people like Obermann a free hand, the two reported, regardless of whether the result is detrimental to workers and the public.

There is a very clear gulf between workers taking part on the demonstration and union officials who are ready to compromise and want to keep the dispute low-key. The impression given by the district and occupational group representatives from the trade union Verdi, and union chief Franc Bsirske who gave the main speech, was that—irrespective of some sharp criticism of the Telkom management—they have no means of opposing the attacks of Deutsche Telekom management and would rather see the strike ended immediately.

In his speech, Josef Falbisoner, head of Verdi in Bavaria, complained about the irresponsibility of the Telekom management and politicians. In this regard, he called the privatisation of the former state-run enterprise the "biggest failure," repeatedly condemning the management and its mistakes, which were responsible for Telekom having some 120,000 fewer staff today than before privatisation.

But this did not prevent him from seeking a rapprochement with management in concluding his speech. Falbisoner called on the representatives of management "to come to the negotiating table" and "negotiate a social contract."

The speech of Verdi boss Bsirske was similar. After expressing some generalities about social inequality, he attacked the policy of the Telekom management. He criticised the fact that the profits of the business, which are made on the backs of the employees, are passed directly to the shareholders.

He spoke against the massive threats and intimidation on the part of the management against the strikers and against the "strikebreaker bonuses" being offered by Telekom. Bsirske accused the management of being unaware of what was happening in the company. These "dilettantes," he said, have so far organised 18 restructurings of the enterprise, thereby damaging Telekom. In this regard, he offered to cooperate with the company: the union has created an "alliance for service quality" to improve the company's performance in the interests of the customer.

Bsirske said Obermann's redeployment plans throw down the gauntlet to working people. However, he did not say that Verdi does not reject the redeployments in principle, but just wants them "arranged in a more socially acceptable way." The union wants to point out their "limits," Bsirske said, and warned that if Telekom succeeded "in pushing through this programme," such methods would soon "radiate" to other companies. But he rejected the conclusion that this meant extending the strike into all other areas. Instead, Verdi is limiting the dispute to those directly affected, so isolating and weakening the strikers.

Nobody who has followed the policies of Bsirske and Verdi over the last years can doubt that the last thing on their minds is to mount a serious challenge to Obermann and the management. While they express criticism today about the restructuring of the past years, they make no mention that they have agreed to all these measures. Six years ago, they agreed to the new wages system that broke with the agreedupon public sector contract and represented a substantial blow to workers' incomes.

A WSWS statement distributed on the demonstration very clearly exposed the role of the trade unions, stating in part: "In reality, Obermann is working as a direct tool of the German government. All important strategic decisions regarding Telekom have been decided upon by the government in the course of intimate talks between Finance Minister Peer Steinbrück (SPD) and Labour Minister Franz Müntefering (SPD).

"Also sitting alongside the six trade unionists and works council representatives on the Telekom board are two top representatives of the SPD. Ingrid Matthäus Maier is the former deputy chairman of the SPD parliamentary (Bundestag) faction and represents the state-owned Loan Corporation for Reconstruction (KfW). The other prominent SPD representative is Thomas Mirow, undersecretary of state in the Finance Department and right-hand man of Steinbrück. Mirow played a key role in the elaboration and implementation of the Lisbon strategy aimed at increasing economic competition inside the European Union. Many of the initiatives for cuts in labour costs and the reorganisation of Telekom originate from his office.

"The presence of Matthäus Maier and Mirow means that together the trade unions and Social Democrats have a majority on the 15-seat Telekom board and could, if they wished, outvote the management side.

"This state of affairs reveals the complete hollowness and hypocrisy of the stance taken in the strike by Verdi functionaries. Their radical speeches at strike meetings are aimed solely at covering up the traces of their own opportunist policies."



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