

German Social Democrats, unions fear losing control over the working class

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27 October 2007

The national congress of the Social Democratic Party taking place this weekend in Hamburg is dominated by the fear that the party could lose all of its remaining influence within the working class.

This is the background to the conflict between SPD Chairman Kurt Beck and Labour Minister Franz Müntefering (SPD), which has featured prominently in the media during the past few weeks. Beck's proposal to extend by a few months the payment of Unemployment Pay I (UP1) for older unemployed workers has nothing to do with any fundamental break with the anti-welfare proposals (Hartz IV and the Agenda 2010) introduced by the former SPD-Green Party coalition government—despite the campaign by the media to cast Beck's suggestion as a “break with the Agenda 2010” (*Die Welt*) or a “return by the SPD to the social hammock (i.e., policies based on social consensus)” (*Handelsblatt*).

Beck's proposal will change little for the elderly unemployed, who paid their own contributions towards unemployment insurance for decades. After a few extra months of UP1 payments, they will then be forced to eke out a living on the basis of the miserly Unemployment Pay II benefits. Beck's suggestion will also do nothing to change the situation in which skilled workers, with many years of professional experience, are forced by the anti-welfare legislation to accept low-wage jobs. The fact that such workers merely have a few extra months in which to seek such a job and use up all their savings does nothing to alter the utterly antisocial nature of the Hartz IV and Agenda 2010 legislation.

In fact Beck's proposal is not new. Conservative politicians, like the prime minister of the state of North Rhine-Westphalia, Jürgen Rüttgers (Christian Democratic Party), have been making the same demand for a long time and the measure was agreed upon at the last CDU congress.

Müntefering's opposition to Beck's suggestion and the resulting polemic have been magnified out of all proportion by the media and above all serves the purpose of reinventing the SPD chairman and prime minister of the region of Pfalz as a politician with a social conscience. Despite the utterly flimsy basis for such a claim, it enables Beck to close ranks with the German federation of trade unions (DGB). His arguments draw directly from the DGB's catalogue of demands, and numerous

union officials immediately applauded Beck's proposal.

Public opposition to the consequences of the Agenda 2010 policies and Hartz IV laws has been growing in recent months and has led to increased tensions between the SPD and the DGB. Some DGB functionaries have even extended feelers towards the recently formed Left Party, and the SPD leader fears a split in the trade union umbrella organisation—a development he wants to avoid at all costs. The Hamburg congress this weekend has therefore been planned as a public show of the new improved relationship between the SPD and the DGB.

An open letter drawn up by 300 work councils and trade union leaders is also aimed at backing Beck. They call for a return to the policy of “social consensus.” Their letter begins with an overview of social developments in Germany, which, whether intended or not, represents a devastating critique of the SPD.

The open letter states: “Through the development of the low wage sector, the political promotion of agency work, an extended range of time limits for job contracts, a law against dismissal which has been savaged, and other measures aimed at the liberalisation of industrial legislation have dramatically increased the pressure on those in work,” The trade unionists continue: “Privatisation policies and Hartz IV did the rest. Real wages have not shifted since the mid-'90s. Poverty wages are increasing ... nearly 7 million persons are underemployed, including 5 million in so-called mini jobs.”

Particularly shocking is the rise in child poverty. “Over 2.7 million children live in poverty. An additional 2.5 million are close to poverty ... from birth onwards many children are denied any real share in social life. Material poverty combined with a deficit in social protection and education prevent any possibility of social improvement.”

The state's promotion of the low wage sector has not only led to poverty wages, but also to poverty for elderly citizens. The open letter stresses: “A third of all workers confront poverty in their old age ... with lower wages and contributions resulting in pensions which are even lower than the miserly Hartz IV payments.”

All this is true. At the same time this devastating social decline has been accompanied by an unbridled process of

enrichment at the top of society, which has often taken obscene forms. And this massive redistribution of social wealth from below to above is largely due to policies introduced by the SPD and supported by the trade unions.

German trade unions applauded when the SPD-Green Party coalition first took power 10 years ago. When popular opposition grew to the antisocial policies of the SPD-Green coalition in following years the unions systematically boycotted the protests and demonstrations. Then, when electoral support for the SPD slumped, the DGB supported the calling of new elections and conducted an election campaign on behalf of the SPD. The SPD then took over leading cabinet posts (including Labour Minister Müntefering) in the grand coalition (SPD-CDU-CSU) elected in 2005 and has since formed the right wing of the coalition on issues of social policy.

In recent years, both the SPD and DGB have seen the loss of hundreds of thousands of members, and in their open letter the work councils write that “the SPD has lost considerable support in the factories.” Now the bureaucracies are afraid of completely losing control of the working class.

The decline of the SPD and DGB is the hallmark of a profound political transformation. The globalisation of production and the associated fundamental changes in world economy have stripped away the basis for any sort of policy based on social reforms. Today’s economy is controlled by transnational companies and international financial houses, which scour the globe for cheap labour, low taxes and raw materials, playing off one country against another in order to lower wages and social standards all over the world.

Under these conditions, the SPD, with the implementation of the Agenda 2010 policy and the Hartz IV laws, has been transformed from a party of social consensus into a party of social confrontation. The work of the SPD has been supplemented by the DGB, which has accepted a series of measures aimed at undermining the wages and working conditions of workers in Germany.

Two years ago, the service workers trade union Verdi pushed through a public service contract that resulted in drastic reductions in pay and increased workloads for broad layers of civil servants and secretarial staff. Following protests this spring by German Telekom workers who opposed the degrading of 50,000 workers, Verdi limited their strike to symbolic protests, and then agreed to the terms demanded by Verdi management and forced the workforce to work an additional four hours per week with no extra pay.

Similar deals have been struck by the industrial trade union IG Metall and all the other DGB trade unions. Across the country, union officials and work councils have put their signature to thoroughly restrictive contracts aimed at wage and welfare cuts.

This latest public display of solidarity between the SPD and DGB serves in fact to intensify these attacks on the working class. This is the real significance of all the rhetoric about a

newfound social conscience issuing from the SPD headquarters in Berlin.

The real attitude of the SPD towards the working class is revealed in the hysterical attacks made on striking train drivers by SPD leader Beck. Beck accuses the engine drivers of making completely unrealistic demands and thereby “disrupting the principle of solidarity.” He then referred to the train drivers’ strike as a “disturbance of peaceful company relations”—an accusation that amounts to a call for disciplinary actions against strikers, including dismissal.

The DGB leaders are especially infuriated by the fact that the train drivers quit the pact they formerly shared with the DGB trade unions Transnet and the GDBA, which have both supported the systematic dismantling of jobs and wage cuts in recent years. The DGB functionaries fear that the train drivers’ strike could lead other sections of workers to revolt against the constant barrage of wage and welfare cuts.

The train drivers justified their wage demand with the fact that, since the mid-1990s, half of all the former 370,000 jobs in the German Railways have been cut, while pay stagnated and actually fell by 10 percent during the past two years. At the same time, railways boss Hartmut Mehdorn increased his own salary last year by 100 percent—to a total of €3.18 million. Taken together, the eight members of the Railways Board pocket an annual total of €20 million.

Many workers in other companies have undergone similar experiences, and this explains the broad support for the strike, although a broad front comprising the government, business federations, the media and the courts have been trying to criminalize the strikers for weeks.

The train drivers’ strike is an expression of the broad opposition to wage-cutting and social cuts in Germany, but it can only be conducted successfully on the basis of winning the support and solidarity of the entire working class in a broad political offensive against both the SPD and DGB.

The struggle against wage and job cuts, as well as the defence of social and democratic rights, requires a fundamentally new political strategy, which places the needs of the working population above the profit interests of big business. That can be only achieved if workers break with their old, national organizations and unite across Europe and worldwide in the struggle for a socialist reorganization of society.



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