

# Germany: Public sector strike needs a new political perspective

By Partei für Soziale Gleichheit (Socialist Equality Party)  
10 March 2008

The nationwide strikes by public service employees, the strike by Berlin public transit workers and the still unresolved train drivers' industrial dispute have developed into the largest strike movement in Germany for several decades.

There is much more at stake than simply a wage increase or better working conditions. The strikes enjoy an extraordinary degree of public support despite the long delays and great inconvenience they cause many people. Most think it is long overdue that at last someone is standing up to the wholesale social cutbacks and redistribution of wealth from those at the bottom to those at the top. What began as an industrial dispute can rapidly turn into a broad popular movement against the current social conditions.

In the past one and a half decades, a third of all public sector jobs have been destroyed, some 2.2 million in total. While productivity is constantly being raised and ever more is demanded of the workforce, incomes are declining. In carrying through their attacks on the public sector, the employers rely on the EU's "Bolkestein Directive" governing services in the European internal market, which is increasing the pressure on working people through constantly depressing labour costs. State enterprises have in part been privatised and the clearly lower wages and worse working conditions in the private or semi-private companies are then used to leverage "social dumping".

Before the train drivers began their industrial dispute last summer, their already low wages had sunk by ten percent in two years. It is no different for workers employed by the Berliner Verkehrsbetriebe (BVG, Berlin Transit Company). The contract agreed two years earlier had drastically worsened working conditions and workers lost up to twelve percent of their wages. At the same time, Christmas bonuses were cut and holiday pay eliminated. New staff receive less than two thirds of the previous wage.

These cutbacks in the state enterprises and in public administration goes hand in hand with a wave of mass redundancies in the private sector. Siemens is axing 7,000 jobs, BMW has announced the slashing of 8,000 jobs, Nokia is closing its factory in Bochum and shifting production to Romania, Deutsche Telekom has hived off 50,000 staff into a low-cost in-house company, with lower wages and worse working conditions. Almost daily, new job reductions and further welfare cuts are announced.

At the same time, many companies are announcing record profits, and the mounting wealth in the boardrooms assumes grotesque forms. Porsche boss Wiedeking took home €54 million in the past year, Deutsche Bank boss Ackermann pocketed €13 million, Deutsche Bahn (German Railways) CEO Hartmut Mehdorn earned €3.2 million. The incomes of the chief executives of the companies listed on Germany's DAX stock exchange have risen by 62 percent since 2002. The wages and incomes of those further down the social ladder have sunk by 13 percent since 1992, adjusted for inflation.

A corrupt finance oligarchy is plundering society, refusing to pay taxes, and living in the lap of luxury while it preaches sacrifice to everyone else.

All the established political parties lie at its feet. The 2007 reform of corporation tax means taxes on the ordinary profits of big business were reduced from 25 to 15 percent, with taxes on profits derived from interest and dividends being cut from 44 to 26 percent. This has led to an estimated shortfall in government revenue of €10 billion this year. Now government representatives are saying that the coffers are empty, and there is no room for any wage increases in the public service.

After years of social devastation, the present strike movement is the beginning of a counter-offensive. If it is to be successful, it is necessary to draw up a critical balance sheet.

The present situation is not a complete surprise. It is a product of the policy of "social partnership" practised for many years by the trade unions and the employers. Without the energetic support of the public service union Verdi, wages and conditions could not have fallen to their present level. The tax handouts of the rich, which have emptied the public coffers, are less a result of the years of government under the Christian Democrats (CDU/CSU) and Free Democrats, and are far more a product of the Social Democratic Party-Green Party government of 1998-2005.

The two last large public service strikes took place decades ago.

In 1974, in the midst of a recession, the ÖTV public service union - one of the forerunners of Verdi - won a wage increase of 11 percent. In 1971, workers had defended the government of Willy Brandt (SPD) against a vote of no confidence by the CDU/CSU, and the following year the SPD achieved its best ever election result. Many workers set great hopes in the SPD, and called for higher wages and better living conditions. In the winter of 1973/74 some ten million workers were involved in wages conflicts at one point or another.

Chancellor Brandt clearly opposed a double-digit wage increase, but was not able to suppress the wages movement. As a result, he was soon replaced by Helmut Schmidt (SPD), who relied on the trade union bureaucracy to beat back the wages offensive. To this end, Schmidt brought some 15 high-ranking union officials into his government as ministers or undersecretaries of state. Disillusion with the rightward development of the SPD under Schmidt opened the way for the CDU, and the Kohl government could then maintain power for 16 years (1982-1998).

In the mid 1980s, social conflicts again increased, but in 1989 German reunification opened the way for an ideological campaign over the alleged triumph of the capitalist free-market economy enabling the Kohl government to stay in power another decade.

The collapse of East Germany and the other Stalinist regimes in Eastern Europe and the Soviet Union was anything but a triumph of capitalism or a "victory of liberty and democracy", as proclaimed in all the official propaganda. In reality, the globalization of production and the rapid development of new technologies in transport and communications had undermined the foundations of the nationally oriented Stalinist regimes. However, this development was not limited to the east, but also undermined the policy of social reformism, resulting in the rapid

rightward development of the SPD and the trade union bureaucracy - a development that took place in all countries without exception.

In Germany, this became visible in 1992, in the second great public service strike. The public sector strike was joined by workers from Deutsche Bahn, Deutsche Post and even the police and the white-collar DAG union; with some 330,000 engaged in action for several days. However, ÖTV chair Monika Wulf-Mathies (SPD) agreed a rotten compromise. The union leadership did not want to place the Kohl government in danger under any circumstances.

In a strike ballot, a majority of union members voted against the result of the negotiations, but nevertheless the union leadership signed the contract. Two years later, Monika Wulf-Mathies received her recompense when she was made an EU Commissioner for regional development. Since 2001, she has headed policy and environment for Deutsche Post World Net AG, with 380,000 employees one of the largest logistics corporation in the world.

When the SPD and the Greens replaced the Kohl government in 1998 they could rely on the support of the German Federation of Trade Unions (DGB). The service sector unions, which had merged in 2001 to form Verdi, formed an important support for the “SPD-Green” coalition government. In so far as they participated in protests and demonstrations against the Hartz VI and Agenda 2010 welfare and labour reforms, they did so in order to keep the situation under control and prevent a serious struggle developing against the Schröder government and its anti-social policies. In autumn 2005, Verdi signed the TvöD (public sector contract), which meant a drastic worsening of wages and conditions for those employed by local, regional and national government.

Before the end of the year, when 50,000 workers opposed being hived off into a cheap wage in-house company by Deutsche Telekom, Verdi limited the strike to symbolic protests, agreed to the hive off and forced the workers to accept four hours extra work each week, while simultaneously their wages were lowered.

Things were no different in the IG Metall and all the other DGB unions. Union officials and works council representatives everywhere put their signature to contracts that led to cuts in wages and benefits. The DGB unions established a veritable contract cartel, which acts like a straitjacket for the workers. Above all, this is what the train drivers have experienced in the past months.

The principal demand of the train drivers union (GDL) was and is an “independent contract agreement”. The original wage demand for a 31 percent increase only became possible after the GDL quit the contract negotiating body which included Transnet and the other rail unions. In the past years, these organizations had agreed to a drastic curtailing of wages and the dismantling of social conditions.

No sooner had the train drivers launched their strike than Transnet, with the support of the DGB, began to function openly as the most despicable form of strike breaker. Provided with financial support from management, Transnet acts as a kind of “house union” and is in close contact with the government through the auspices of the SPD. Transnet boss Norbert Hansen (SPD) directed his aggressive attacks against the GDL and with Deutsche Bahn CEO Hartmut Mehdorn agreed to prevent the GDL achieving any kind of independence. Under all circumstances, the DGB contract cartel should be maintained.

Despite the enormous pressure from management, Transnet, the DGB and government train drivers have not given way so far. Their struggle is seen by many as a prelude to a rebellion against the constant welfare cuts, and has the support of many workers and the general population. The numbers of those resigning from Transnet, Verdi and the other DGB unions and joining the GDL are increasing.

In light of this situation, Verdi saw itself forced to make a left manoeuvre. The union has clearly expanded the number of protest strikes in the past days. But no one should hold any illusions in Verdi, which is

merely trying to let off steam and keep control, in order to be able to strangle the struggle with a rotten compromise. In the meantime, a conciliation process has been introduced, meaning that strikes are outlawed until April. The Verdi leadership will be doing everything it can in order to further isolate the striking engine drivers and BVG workers and to undermine the fighting capacity of public service employees.

It is impermissible to allow Verdi to keep the initiative and strangle the movement. Even if the strikers were to receive a wage rise of a few percent, rapid price rises would mean that nothing had been won. Moreover, a large cheap wage sector now exists and both public and private sector employers possess various ways of circumventing existing contracts or cancelling them.

The present strike movement must become the starting point for the building of a political movement that opposes the ruling elite and a social system, which subordinates all areas of life to the profit principle and the personal enrichment of a minority. In other words: It is necessary to prepare for a long and systematic political struggle.

Every union and every party that today accepts the framework of the capitalist profit system is doomed to failure. Only by tackling the problem at its roots and striving for a society that elevates the needs of the population above the profit interests of big business can a progressive solution be found.

In the present strike movement this requires strict control over the leadership of the strike, the negotiations commission and all other trade union committees. No secret negotiations and talks behind the backs of the strikers!

In addition, committees of action must be developed in order to control the unions, and enable concerted collaboration with workers from private industry, students and other sections of the population. Such committees of action should build on the traditions of the Arbeiterräte, the revolutionary workers committees which sprang into being at the beginning of the last century and played a significant role. The committees of action must further develop and organize the solidarity that exists in large parts of the population.

The building of defence and solidarity committees must be linked to a discussion about a new perspective, which proceeds from the international character of modern production and the common interests of all workers world-wide. Such a perspective requires a socialist transformation of society in which social interests take priority over the profit interests of the corporations.

The PSG (Socialist Equality Party) will support such a struggle with all its strength. As an international party, we will develop the links to workers in other countries, where many workers and their families confront the same problems and are conducting or have conducted comparable struggles.

Make contact with the *World Socialist Web Site* and discuss these questions with your colleagues.



To contact the WSWWS and the Socialist Equality Party visit:

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