

German rail union in crisis

Sybille Fuchs
6 June 2008

On May 30, the German parliament (Bundestag) voted in favour of the partial privatisation of the country's railway system. According to the government plan, 24.9 percent of German Railways (Deutsche Bahn—DB), which until now was in government hands, will be floated on the stock market beginning November 5.

The first parts of DB to be privatised will be passenger and long-distance transport, regional and suburban rail (including bus lines and rapid-transit rail), and other rail services. All of these sections of the rail system have been amalgamated under the DB subsidiary, Mobility Logistics (DB-ML), which employs three quarters of all existing rail personnel.

The chairman of DB, Hartmut Mehdorn, welcomed the Bundestag decision and declared his confidence in the future of the enterprise, which he said he intends to turn into a global player.

Experts assume that the initial privatisation is just a first step. A draft agreement is currently circulating that allows DB-ML to release its own subsidiary companies for partial privatisation and sell off other services completely. The draft contains formulations that allow investors to purchase up to 49 percent of the subsidiaries responsible for long-distance, regional or city transport. In addition, the draft provides substantial leeway for the closure of non-profitable stretches of rail track.

In an interview with the *Bild* newspaper prior to the vote in the Bundestag, Mehdorn's new labour director, Norbert Hansen, declared that he saw no problem with the privatisation of up to 49.9 percent of the railways. Until a few weeks ago, Hansen was chairman of the rail workers' union Transnet, before switching over to the DB executive committee. In his interview with *Bild*, Hansen made unmistakably clear that his priorities rested 100 percent with the profit interests of his employers.

Hansen announced, "We will have to further rationalise the railways, and that will not be possible without reducing personnel in some sections." He already has experience in overseeing job reductions as head of Transnet, and his aim is to ensure reductions without resorting to compulsory redundancies. First and foremost, rail employees must demonstrate more flexibility and efficiency in their jobs.

Hansen used the example of a private regional rail company to show how such flexibility was possible. In such companies (which all pay lower wages), drivers not only drive the trains; they "also occasionally help clean up the passenger cars or assist with baggage at small stations," Hansen said.

Such pronouncements by Hansen were not only highly embarrassing for his successor as head of Transnet, Lothar Krauss, but also evidently went too far for DB boss Mehdorn. Krauss

declared he was "hopping mad" over Hansen's comments, while Mehdorn quickly assured the public that the company had no plans for reducing personnel. Rather, "in the course of the partial privatisation there would be no compulsory redundancies before 2023." Spokesmen for the German government immediately confirmed Mehdorn's comments.

It should be noted, however, that the railways management has shed tens of thousands of jobs since the rail reform of 1994. In preparation for its stock market privatisation, the workforce of DB was cut by half to its current level of 185,000. All of these job cuts were carried out in the closest collaboration with Transnet and the other rail unions, and without management resorting to compulsory redundancies. Natural attrition, retirement packages and occupational alternatives were sufficient to achieve the desired job cuts.

Prior to the official decision to privatise DB, management had already announced its intention to form 30 new subsidiaries with the declared aim of competing with rival private companies. Those employed in these subsidiaries are supposed to receive the same wages as those working for the mother company. However, they will be expected to work longer hours and will receive less vacation—in effect, a cut in wages. The major Deutsche Bahn holding company, DB Regio, defended the plans to create subsidiaries by declaring that labour costs are a crucial factor in ensuring competitiveness.

Nearly a month after the switch by Hansen from Transnet into the executive committee of the partially privatised DB, an atmosphere of panic reigns inside the headquarters of the union. Ordinary members are outraged at the arrogant and provocative stance adopted by the union's former chairman. Many have declared their intention of resigning from the union, though the bureaucracy refuses to give a concrete figure.

Hansen's abrupt move has animated lower- and middle-ranking bureaucrats to attempt to restore the tarnished image of the trade union. The website of the union grouping "rank and file rail" is full of requests and resolutions from local groups and shop stewards calling for a special congress of the union to enforce the resignation of the entire executive committee and clarify the background to Hansen's endorsement of the rail privatisation plans. They also demand his expulsion from the union.

Shop stewards from the northeast district are demanding a new start for the trade union, legitimised through a democratic process. "The policy of co-management has failed," they declare in their letter. "The acting executive committee, which expressly approved the past course of action, must resign. The background to the switch made by Norbert Hansen (from union boss to DB labour

director) must be completely cleared up.” Many other regional bodies of the union have made similar protests.

The Transnet executive has also been subjected to severe criticism for its role in the privatisation. The spokesman for “rank and file rail,” Hans Gerd Oefinger, who has opposed privatisation for the past eight years, declared: “The functionaries around Hansen prevented any open discussion about privatisation.” Hansen was able to hoodwink the Bundestag parties and pursue his own personal goals, he said.

However, it is the union officials who allowed themselves to be hoodwinked. Having worked closely with Hansen for many years, his switch over to management is a source of great embarrassment for the bureaucrats left behind. The new Transnet chairman Krauss quickly sought to strike a radical pose and declared his opposition to cheap wage labour on the railways. He also rejected the plans for the liberalisation of passenger transport put forward by DB Regio. Transnet executive member Karl-Heinz Carpenter also expressed his fears that the liberalisation plans envisaged by DB Regio would undermine the existing wage contract system that applies to all rail workers.

Krauss put forward the pathetic demand for an obligatory minimum wage for the industry of a sum “clearly in excess of 5.50 euros per hour.” He threatened to respond with strikes and protests if there is an attempt to break up the existing contract structure. In this respect he declared that he would seek to unite with other German trade unions—in particular, the public service trade union Verdi.

Transnet members should take a thoroughly critical attitude to Krauss’s proposals. The recent contracts agreed by Verdi—including that negotiated with the Berlin transport company (BVG) a few weeks ago—demonstrate that Verdi is as intent on policing contracts on behalf of the employers as Transnet itself. In this respect, the two unions have worked hand in hand for some time. Both Verdi and Transnet united to publicly condemn the 31 percent pay demand made by train drivers last year, and the minimum wage of 5.5 euros proposed by Krauss is indicative of the path chosen by the unions. The miserable sum is even less than the legal minimum wage of 7.50 euros demanded by the Federation of German Trade unions (DGB).

Under these conditions the trade union grouping “rank and file rail” plays the role of a left cover for the bureaucracy. The group calls for the cancellation of the privatisation plans and for the democratic control of the European transport system by transport employees and the population as a whole. But such aims cannot possibly be implemented without breaking with Transnet and its entire union perspective—a line of action that “rank and file rail” vehemently rejects.

The system of co-management—i.e., the close co-operation between trade unions and management—that has now culminated in Hansen’s move into the DB executive is not just an issue of the corrupt practices of individual trade union leaders. It is the direct result of the union’s perspective of reforming capitalism. Under conditions of the globalisation of production and a burgeoning international finance crisis, a trade union perspective, even in its most militant form, is utterly incapable of challenging the constantly growing pressure of the capitalist economy to maximise

profits. Such a struggle requires the building of a political movement of the working class, which fights for a socialist alternative to the capitalist system.

Until recently, the trade unionists organised in the “rank and file rail” grouping had evidently set their sights on the Social Democratic Party for progressive change - even though this party has filled the post of Federal Transport Minister for the past ten years and has been the main driving force behind the privatisation of the railways.

Following a speech by SPD chairman Kurt Beck on April 19, in which he told SPD congress delegates that he ruled out any privatisation in excess of 24.9 percent and declared that denationalisation was not the solution to every problem, “rank and file rail” issued a sigh of relief. “Thank God there is an end to the superhype that everything in private hands is good and inexpensive,” it wrote. “We must once again talk reasonably over securing our existence.”

Ten days later, however, the SPD joined its partners in the grand coalition government to vote in favour of partial privatisation. Nevertheless, “rank and file rail” continued to maintain that pressure on the government could prevent privatisation. In its leaflet produced for May Day, the group declared, “No railway share has been sold up to now. We must increase the pressure on those governing, in order to ensure that they keep their fingers out of the capital privatisation of the railways.”

For disillusioned Transnet members, any switch to the rival union of train drivers—the GDL—also represents a dead end. When GDL raised its demand last year for a substantial pay rise and its own contract agreement, other rail workers saw the possibility of a mobilisation to reverse years of continual wage cutting and degradations in working conditions. However, after eight months, the GDL leadership pulled the plug on its labour disputes despite the militancy of its members who had won considerable popular support. The GDL leadership signed a contract involving a minimal wage increase, which fits in smoothly with the contract structure worked out by DB management with the other rail trade unions.

Rail workers, irrespective of their individual union membership, can only effectively defend their wages and living standards by breaking with the perspective of the unions and turning to an international socialist perspective.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact