

German rail union Transnet embroiled in scandal

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Last Monday the German rail-workers' trade union Transnet held a congress which agreed a change of leadership. The longstanding union executive member, Alexander Kirchner, was elected the union's new chairman.

Transnet had already undergone a change of leadership in May this year when Norbert Hansen resigned as chairman. Just a few days after the decision by the German government to support the partial privatisation of the German railways, Hansen took over a well-paid post on the board of German Railways (DB – Deutsche Bahn). Hansen and the entire Transnet executive were staunch supporters of privatising the railways, which until now has remained largely in the hands of the state.

Using his trade union experience Hansen was able to convince his new bosses to appoint him to the post of new DB personnel chief—with a salary of 150,000 euros per month.

Before taking over as head of personnel, Hansen told the *Bild* newspaper what railway workers should expect from DB under his leadership—redundancies, rationalisation and greater workloads. According to Hansen, in future train drivers should even be prepared “to go through the train and tidy up, or help load the bags at small stations.”

When Hansen's deputy at Transnet, Lothar Krauss, took over the chairmanship in May, it was clear that he would continue the course of his predecessor. Krauss defended Hansen's switch to the DB board as “part of the German tradition of management-union collaboration”. He thought Hansen's move was “perfectly ok” and was proud of the fact that a trade unionist could take over as head of personnel.

Although there was considerable disquiet in the union membership, with 1,000 resignations and a host of unsuccessful motions to expel Hansen from the union, Krauss and the executive committee continued their policy of cuddling up to DB chief executive Hartmut Mehdorn.

At the end of October, however, it was announced the DB

executive—including Hansen—had agreed an “event profit windfall” bound up with the planned stock exchange launch of DB. This extravagant bonus for top management had been decided by the four member personnel committee of the company's supervisory board. One of these four members was Transnet boss Lothar Krauss, who voted for the bonus. After denying his role in the whole affair for weeks, it became clear that Krauss's position in Transnet was untenable.

The proposed launching of DB on the stock exchange has since been postponed due to the international finance crisis. Nevertheless details of the planned launch have been publicised. DB chief Mehdorn was due to pocket up to 1.4 million euros as a premium, with other executive committee members raking in between one and 1.2 million euros.

There is little reason to think that the former deputy chairman and newly elected chair Alexander Kirchner will depart from the union's course of “constructive co-operation” with the government and the DB executive committee. Nevertheless, as membership anger and opposition grow to both the privatisation of the railways and the self-serving manoeuvres of the Transnet executive, Kirchner is striving to limit the damage.

In his initial pronouncements, Kirchner declared he would “not so readily” agree to a second attempt to launch DB on the stock market. The railway network should receive the financing it needed and not be broken up, he said. His lame declarations are hardly likely to cause Mehdorn and Hansen sleepless nights.

The current pay claim by the Transnet executive for a 10 percent increase should also be seen in this light. Kirchner has played a leading role in the union's contract policies for many years and evidently hopes to appease the membership somewhat with a relatively high wage demand.

A number of Transnet members have aired their grievances in relation to the “exposures” over the machinations of their executive. The *Süddeutsche Zeitung* summarised this response as follows:

“Many regard the fact that [Hansen] will, as a member of the DB executive, receive a percentage of profits for the stock exchange launch, which he prepared in his role as trade unionist as the peak of hypocrisy. ‘It supports the suspicion that the whole thing was about money’, was the comment of one Transnet member.”

While the corruption of the trade union leadership is reason enough for the growing mistrust of ordinary members, of itself it does not account for the transformation of all trade unions into organs of co-management during the past two decades.

The development of Transnet is a classic example. Along with other rail unions, it agitated energetically for the conversion of the largely state-run railways into a private corporation. This process was bound up for many years with a continuous and massive loss of jobs. Such rationalisations were often carried out under the guise of industrial safety or occupational policy. Since the reform of the railways carried out in 1994, the restructuring, combined with higher workloads, wage cuts and the slashing of rail track, have led to a halving of the number of rail employees—currently totalling 185,000.

In the course of the train drivers’ dispute last year, Transnet openly functioned as a strike breaking body. Hansen stood shoulder to shoulder with Mehdorn in order to sabotage the train drivers’ strike. The union even resorted to the courts on several occasions, attempting to obtain a court order banning the strike. At the time, the media featured a number of reports revealing that Transnet was being secretly financed by the DB board and was functioning as a “house trade union”.

Under pressure from its own members, the train drivers’ trade union GDL had broken from its previous contract agreement with Transnet and took strike action in support of a 30 percent wage claim. For months train drivers organised in the GDL carried out protests and strike action aimed at improving their wages and enabling the GDL to break free from any contract straitjacket with Transnet. Eventually the GDL leadership capitulated, broke off the strike action at a crucial point and struck its own rotten deal with the DB executive.

Since its last congress in 2004, Transnet has lost 50,000 members, and now totals 230,000. It tops the list of German trade unions for the largest loss of members. Over 50 percent of its membership consists of retirees, unemployed members and their relations.

The transformation of the trade unions is directly bound up with their perspective, which completely accepts the capitalist system. The union’s policy of class co-operation with

management (in Germany known as “social partnership”) leads to a dead-end. Against a background of globalised production and an international finance crisis, a trade union perspective is completely incapable of opposing the pressure for increased profit margins at the workers’ expense. Instead it is necessary to develop a political movement of the working class that fights for a socialist alternative to the capitalist system.

Rail workers in the GDL, Transnet and the civil servants union, the GDBA, as well as non-union workers, can only defend their jobs, working conditions and living standards by breaking with the unions and forming independent rank-and-file organisations, taking up the construction of an international socialist organisation.

It is precisely this perspective which is completely rejected by leftist or oppositional trade union groups, a number of which have links to the German Left Party. Typical of such tendencies is the grouping “Rank and File Rail” whose speaker Hans Gerd Öfinger declares that “now is not the time to run away”. Öfinger calls for a last battle to be waged for the soul of the union.

The organisation continues, “Transnet has a right to exist as a rail trade union in the DGB (German Federation of Trade Unions) and a unified railway system. It may be that one or another leader has endangered this right to exist by seeking short term personal advantage and prestige and failing to break with Hansen, campaigning for a reversal of the stock market launch and making a fresh start. Nevertheless, it is still worth fighting for a transparent and militant Transnet. No share has yet been sold. He who does not fight has already lost.”

The truth is that he who clings to the sclerotic apparatuses of the trade unions has already lost.



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