

In the 2009 European elections

A socialist answer to the capitalist crisis: Statement of the Socialist Equality Party (Germany)

5 May 2009

The Partei für Soziale Gleichheit (PSG, Socialist Equality Party) is standing a nationwide slate of candidates for the June 7 European elections. Our objective is to build a new party that can enable working people throughout Europe to intervene in political events independently of the established parties. Our goal is the establishment of a socialist society that places social needs above the profit interests of big business. Against the European Union—a tool of the large corporations and banks—we counterpose the unification of Europe on a socialist basis.

The 2009 European elections take place in the midst of the deepest worldwide economic crisis since the 1930s. Industrial production has decreased dramatically, and unemployment is rising with record speed. Under the surface, an enormous social storm is brewing. We see our task as preparing and directing such a storm politically in a progressive direction. We want to lay the basis for a socialist mass movement that can smash the power of capital and establish workers' governments.

We stand in a powerful historical tradition. As the German section of the International Committee of the Fourth International, the PSG embodies the continuity of the Trotskyist movement, which has defended Marxism against Stalinism and social democracy under the most difficult circumstances. We collaborate closely with the Socialist Equality Party in Britain, as well as our co-thinkers throughout Europe, the US, Asia and Australia.

The crisis of capitalism

The present economic crisis is not simply the product of the greed of particular individuals; it is the result of the bankruptcy of the entire capitalist system. It confirms Karl Marx's analysis that the internal contradictions of capitalism lead inevitably to a revolutionary crisis.

In the past 12 months, the crisis has consumed assets worth some \$50 trillion—corresponding to one year's worldwide economic production. According to estimates by the ILO, 50 million people will lose their jobs this year as a result of the crisis. The number of those in poverty will increase by 200 million, and the number of child deaths will rise annually by 400,000.

The gap between rich and poor has been growing for a long time. According to a UN report, already by the mid-1990s the wealth of 358 billionaires equalled that of the poorer half of the world's population, approximately 2.5 billion people. Since then, the financial oligarchy has engaged in an unparalleled orgy of self-enrichment that is completely

divorced from the real economy, while the standard of living of the broad mass of the population has continued to fall. Banks and hedge funds have derived incredible profits through their reckless actions. Bankers and managers have received annual salaries in the millions, their rapacious activities earning them the epithet of "locusts."

Now, the stock market bubble has burst, and the true face of capitalism is clearly visible. What has been called euphemistically the "free" or "social market economy" has proved to be the naked dictatorship of finance capital. For years, it has been said there was no money available for education, healthcare, pensions and social security benefits. The ailing banks, however, which are responsible for the crisis, have received trillions from the public purse, and the cost of this is being paid for by working people.

In the US, the Obama administration has taken on the rotten debts of the banks. This is driving the national debt to dizzying heights, at the same time as auto workers are being forced to pay for the crisis through deep cuts. In Europe, governments are pumping public funds into the banks, while millions of workers and broad sections of the middle class are losing their jobs, incomes, savings, pensions and social benefits.

In Germany, the government has provided the banks with a rescue package worth €500 billion and is underwriting their debts to the tune of a further trillion euros. Only the prospect of the upcoming federal elections in September is preventing the government from implementing massive social cuts in an effort to claw back this money. After the election, however, this will all change.

On the eve of the French revolution in 1789, the feudal aristocracy was not prepared to relinquish any of its wealth and privileges. Today, the financial aristocracy is behaving in a similar manner. It reacts to the crisis by stepping up attacks on working people and by intensifying the conflicts with its international rivals. Everywhere in the world, the state is taking on more powers and turning to militarism. Just as in the first half of the last century, the crisis confronts mankind with a stark alternative: socialism or barbarism. Not a single social or political problem can be resolved without breaking the domination of finance capital. The crisis cannot be overcome by patching up capitalism; it requires a social transformation and the building of a socialist society.

What we stand for

The socialist transformation of society presupposes the conscious intervention of the masses into political life. The PSG is devoted to

creating the political conditions for such an intervention.

* For the political independence of the working class

The working class is not responsible for the capitalist crisis. It did not participate in risky speculative transactions and has not salted away millions. We support all initiatives—strikes, factory occupations and mass demonstrations—that strengthen the self-confidence of workers and challenge the autocratic power of the parasites in the political establishment and big business. Such struggles can be successful, however, only if they are conducted independently of the Social Democratic Party (SPD) and the trade unions. The leadership of these struggles cannot be left to the bureaucratic apparatuses. Instead, independent, democratically elected strike committees and workers councils must be developed, which are directly answerable to the working class.

The deeper the crisis, the more openly the SPD and the unions defend the interests of big business. Whereas in the past, they defended capitalism in the name of social reforms, today they preach the abandonment of these reforms in order to save capitalism. It was the SPD chancellor Gerhard Schröder who lowered taxes for the rich and opened up the sluice gates for the speculators who unleashed the crisis. SPD chair Franz Müntefering is responsible for raising the retirement age to 67 and for introducing the welfare and labour reforms contained in the vicious anti-welfare Hartz laws. As for the trade unions and their officials who sit on the works councils, they function as nothing less than co-managers, who shift the burden of the crisis onto workers and ensure there is no resistance. There is hardly a wage cut, an increase in working hours or a sacking that does not bear their signature.

The rightward development of the SPD and the unions is not merely the result of personal corruption; it is the logical consequence of a programme that rejects the need to overthrow capitalism and aims, instead, to rescue it. In 1914, the SPD supported the First World War with the argument that one must first defend the fatherland in order to later be able to improve the lot of the workers. Today, they say it is necessary to save the banks and make sacrifices before living standards can rise again. As in the past, such a course can only lead to disaster.

The ruling elite is conscious that the crisis will lead to violent class struggles. Michael Sommer, the head of the German Federation of Trade Unions (DGB), has warned of “social unrest,” while others fear that the very mention of this possibility could spark off rebellions. The stepping up of police powers and increased surveillance, advanced by the European Union and Interior Minister Schäuble under different pretexts, is directed primarily against growing social opposition. In parallel, the ruling class promotes various “left” parties that seek to lure workers and young people with radical clichés, only to subordinate them to the control of the old bureaucratic apparatuses.

This is the role of the Left Party of Oskar Lafontaine in Germany, the new Anti-capitalist Party (NPA) of Olivier Besancenot in France and similar formations throughout Europe. These parties are not the result of a spontaneous leftward movement of the workers, but are initiatives from above, which have the task of blocking a genuine movement from below.

The Left Party was formed from the merger of two bureaucratic apparatuses—the Stalinist apparatus of former East Germany with sections of the West German SPD and trade union apparatus. Regardless of its socialist clichés, the Left Party defends capitalist property relations and says there is “no alternative” to the government’s bank rescue package. Wherever it takes on government responsibility, as in the Berlin senate (city legislature), it proves just as ruthless in smashing up social gains and jobs as the SPD and the Christian Democratic Union (CDU). The French NPA has thrown overboard all historical principles—including its previous lip service to Trotskyism—in order to be able to form alliances with Stalinists and reformists and participate in a future government.

The PSG categorically rejects any collaboration with these parties. We

regard them as our political opponents. The same applies to all organisations that defend the hegemony of the trade unions, who advocate collaboration with the Left Party or who, like the so-called Communist Platform, Socialist Alternative (SAV) and Linksruck (Left Turn), work inside it. They provide a left fig leaf for the manoeuvres of the bureaucracy.

We direct every aspect of our work to the struggle for the political independence of the working class. We are building an independent party that rests upon the strategic experiences of the international socialist movement. No serious revolutionary orientation is possible today without understanding the causes for the victories and defeats of the workers’ movement in the twentieth century. These include the greatest defeat of that century, when the SPD’s right-wing policies and the ultra-left course of the German Communist Party (KPD) made Hitler’s victory possible, unleashing the disaster of 1933. These experiences are embodied in the Left Opposition and the Fourth International, which since their foundation led an unrelenting struggle to defend revolutionary Marxism.

Now, the perspective of the Fourth International has been confirmed by history. The economic crisis heralds a new epoch of international class battles. Increasingly, workers and young people can see that a struggle for their rights and interests is unavoidable. The official ideology, which states there is no alternative to the free market economy, has suffered a heavy blow as a result of the crisis. In many European countries—including Greece, Hungary, Bulgaria, Lithuania and Iceland—there have already been violent social struggles. In France, workers at several factories have detained the management, in order to prevent sackings or to force better redundancy terms.

* For the international unity of the working class

The economic changes of the last decades mean that the social weight of the working class has grown massively across the world. Innovative developments in the area of information and communications technology have led to an unprecedented integration of the world economy. Production and trade link together millions of people around the globe, who are dependent upon one another. While some traditional industrial jobs are disappearing, many other layers are joining the army of wage earners. Countries like China, which were still largely agrarian just 100 years ago, rank today among the most important industrial regions of the world. The percentage of mankind living in cities is higher than ever before, and these masses are directly integrated into the global production process.

The PSG fights for the unity of the international working class. To counter the attacks of corporations that operate globally, workers must unite internationally. We oppose all attempts to drive a wedge between German and foreign workers or to incite German workers against their colleagues in eastern Europe or Asia.

The trade unions try to divide the international working class by limiting its struggles to the national arena, playing off one section against another, advocating protectionist measures and stirring up nationalism.

* For the socialist transformation of society

The modern, global productive forces provide all the material conditions for overcoming poverty and backwardness all over the world and for significantly raising mankind’s living standard and cultural level. This presupposes, however, that these productive forces are placed at the service of the whole of society and are released from the fetters of capitalist private ownership.

This requires governments that are committed to the interests of the working class rather than those of big business. Only such governments will be able to undertake the radical economic measures necessary to overcome the crisis.

A workers’ government would organise the whole of economic life anew, in order to satisfy the needs of the predominant majority of the population. The levers of the economy—the banks, insurance companies

and large industrial trusts—would be transferred into public ownership. Decisions that concern the lives of millions would not be left to the laws of the market.

Instead, the billions that have been handed over to the banks would be used to finance a comprehensive programme of public works, to fund education, healthcare and pensions, and create millions of new decently paid jobs. It would end low wages and would impose higher tax rates upon those with large incomes and fortunes.

A workers' government would be much more democratic than today's governments. It would rest upon the active support of a politically conscious population, whom it would include in its decision-making and policy execution. Under a bourgeois government, on the other hand, even the existing democratic mechanisms are becoming a pure facade. Decisions concerning the handing over of billions to the banks are made by a tiny handful of individuals. The population is robbed of any possibility of influencing social developments.

The United Socialist States of Europe

The institutions of the European Union, including the European parliament, increasingly function openly as the lackeys of the European great powers and the most influential sections of big business. The European governments use the EU to shift the burden of the financial and economic crisis onto the backs of the population. This is facilitated by the competition regulations emanating from Brussels, the systematic dismantling of democratic rights and the establishment of a European police state. The European Commission is synonymous with deregulation, liberalisation and the destruction of workers' rights.

The PSG rejects the European Union, its institutions and its planned constitution. The progressive unification of Europe is possible only on a socialist basis. This requires the political unification of the working class. Working people in eastern Europe and Turkey are important allies in the struggle against the interests of big business, which determine the course of the European Union.

Surmounting the European borders and allowing the common use of the enormous technical and cultural resources and material wealth of the continent would create conditions for overcoming the problems of poverty and backwardness within a short time and raise the general conditions of life throughout Europe.

The defence of democratic rights and of immigrants

Social inequality is incompatible with democracy. Elementary democratic rights are being reduced across Europe in preparation for the coming class battles. In Germany, several packages of anti-terror legislation have established more than 100 new laws. The security services—the police, secret services, federal border police—have been provided with expanded powers and increased funds. Broad sections of the population are routinely placed under surveillance through the use of dragnets, on-line monitoring and the dismantling of data protection.

The inhuman attacks on refugees and immigrants spearhead the destruction of democratic rights for all. Thousands die annually attempting to cross the borders into Europe. Detention without a court order pending deportation, internment camps, the tearing apart of families and the lack of political and social rights are part of everyday life for refugees in Europe.

European workers cannot defend their own democratic rights without defending those of the millions of refugees and immigrants who live on the continent. The witch hunting of immigrants serves to divide and paralyse the working class. Refugees and immigrants are a significant component of the working class and will play an important role in the coming class battles.

Workplace democracy is excluded as long as social wealth remains concentrated in just a few hands, the press and media remain under the control of the big corporations, and education and culture are the privilege of a tiny elite; under these conditions, there can be no talk of any real democracy. The cuts being carried out in the spheres of culture and arts education are causing immeasurable damage to society, and there is an incontestable link between the glorification of militarism, brutality and egotism and the rejection of the artistic and cultural inheritance of earlier times.

The struggle against protectionism, militarism and war

Protectionism is growing in the European Union. The spiralling financial and economic crisis means that self-interest increasingly dominates in London, Paris and Berlin. Under these conditions, the ghosts of the past are reappearing.

Protectionism and trade war are the harbingers of military war. For years, the great powers, and above all the US, have compensated for their economic weakness by the use of military force. America's economic weakness is prompting its European rivals to act and ensure that their own economic and military ambitions are no longer subordinated to the US. The ongoing wars in Iraq and Afghanistan, the massacres by the Israeli army in Gaza and the murderous actions of the Sri Lankan government against the Tamil minority show the brutality with which the ruling elite will defend their power.

Those who think that the bloody events of the past century cannot be repeated in Europe are fooling themselves. It would not be the first time that the European governments have suppressed workers' resistance by inciting one people against another and by driving them to war. The events in the Balkans make very clear how serious such a danger remains. Only a common socialist offensive by the European working class can effectively oppose such dangers.

We are for the immediate dissolution of NATO and for the closure of all American bases in Europe. We demand the immediate recall of European troops from the Balkans, Afghanistan and Africa.

Stalinism and socialism

Two decades after the fall of the Berlin Wall, the global crisis of capitalism refutes the widespread myth that it was socialism that failed in East Germany and the Soviet Union and that therefore there can be no alternative to capitalism. The devastating crisis in Eastern Europe reveals that the introduction of capitalism was a colossal retrograde social step. A tiny elite, consisting of the nouveau riche and old Stalinists, appropriated social property and now wallow in ostentatious wealth, while misery prevails for the mass of the population.

It was not socialism that failed in Eastern Europe and the Soviet Union but the attempt of a privileged bureaucracy to establish an allegedly socialist society within a national framework using despotic methods. Workers' democracy and access to the world economy are indispensable

preconditions, however, for the building of a socialist society.

The Stalinist bureaucracy owed its power to the suppression and murder of a whole generation of revolutionary socialists. It finally succeeded in achieving what neither the White Army nor German tanks had been able to do: it destroyed the achievements of the October Revolution and secured its privileges by introducing capitalist forms of property.

The Marxist tradition

The PSG bases itself upon a long Marxist tradition, at the centre of which is the political and cultural emancipation of the working class; the early years of social democracy, which educated several generations of workers in the spirit of Marx and Engels; the work of Lenin, Rosa Luxemburg, and Karl Liebknecht, who opposed the opportunism of social democracy and its capitulation before the First World War; the Left Opposition and Leon Trotsky, who fought against the crimes of Stalinism and established the Fourth International in 1938, providing the basis for the rebirth of the international workers' movement.

As long as social democracy and the Stalinist communist parties dominated the workers' movement, it was possible to isolate this Marxist tradition. Now, their political bankruptcy opens up a new historical epoch in which the programme of the Fourth International is finding increasing resonance. Today, with the *World Socialist Web Site*, the Fourth International has an organ that enjoys a rapidly growing international readership and is increasingly regarded as the authentic voice of Marxism.



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