

# German President Wulff addresses Verdi congress and thanks the unions

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The third national congress of the United Services Union (Verdi) in Leipzig closed on Saturday. For a week, the union's federal executive prepared the more than 1,000 delegates for even closer collaboration with the government in the implementation of austerity measures.

The congress began with a speech by German President Christian Wulff (Christian Democratic Union—CDU), in which he praised the unions in general and Verdi in particular for their “responsible role in the overall interests of society.”

Wulff began by posing the question: “What would our country, the Federal Republic of Germany, be without the unions?” He replied, “It would be poorer in every respect.” The “share of the unions in the success of our country” cannot be overestimated, he declared.

Wulff specifically praised the unions’ “wage moderation over many years.” The important thing was the “very flexible, intelligent means”—such as short-time working and work time arrangements and work time accounts—by means of which the unions had made an “extremely important contribution” to stabilising the German economy in face of the international financial and economic crisis.

Wulff said he was concerned about the decline in union membership. Although this was a development observed in all large organisations, it was, he said, particularly unfortunate among the unions, given their “important work” in employee representation, works councils and staff councils. What was needed were initiatives emphasising the importance of large organisations such as unions and “aggressively promoting the idea that people think carefully about whether they join, whether they become active, whether they contribute, and thus fight jointly for their interests and concerns.”

Using diplomatic euphemisms, Wulff stressed the importance of the unions in suppressing the class struggle. “The joint responsibility of social partners in Germany,” he declared, “is certainly a proven answer to the traditional antagonism between workers’ and employers’ interests.”

He warned that the enrichment of the economic elite and

the bonus payments in the banking sector “created many problems” that were “explosive” and had to be kept under control.

The unions were to be commended, Wulff said, for understanding that co-determination also means taking responsibility. He went on to defend the balanced budget law and austerity policies in general.

“If now Italy, Spain and others introduced a balanced budget law themselves,” he said, “that would be an encouraging sign that each was living within its means and we could get the problems under control.”

Speaking directly to the delegates, he added, “We’ve got a great shared responsibility.”

The minutes noted that his speech met with “loud, sustained applause.”

Two days later, in his report to the congress, Verdi chief Frank Bsirske responded to the speech by the president. After a long rant about the “excesses of casino capitalism” and the “economy of excess,” he said there were major questions posed to the federal government and the business associations.

He called for the formation of a European economic government and pleaded for a common economic, monetary and fiscal policy, but sought to buttress this demand with union arguments.

He declared, “Although 17 countries have the same currency, each country does what it wants. In the long run, this has the effect of an explosive device.” Only a European economic government could counter the competition for tax cuts and social cuts that dominates in Europe. The prerequisite was that Germany stop the downward pressure on wages and strengthen its domestic market, said Bsirske.

He declared his support for the establishment of euro bonds. Only euro bonds could stop the speculation against national states, Bsirske argued.

“A collapse of the euro zone would be a disaster for the German export business,” he warned. He also called for austerity policies in Britain, Ireland, Portugal and Greece to be reconfigured so that they did not strangle the economy.

He denounced social inequality, low wages and the redistribution of wealth from the bottom to the top, although everyone knows his union has agreed to many low-wage contracts.

Bsirske announced an intensification of the campaign in the autumn for a minimum wage of €8.50 per hour. In this connection, it should be noted that Verdi is responsible for the lowest union-agreed wages. The lowest income groups below the required minimum wage can be found in almost all 200 branches for which Verdi is responsible. In hairdressing, Verdi accepted a minimum rate of €2.75 per hour in Brandenburg. This represents a full-time gross monthly wage of €464.

Bsirske also denounced the absence of union-agreed contracts in 64 percent of west German and 80 percent of east German firms, as well as declining wages. But Verdi has agreed to special deals and wage cuts for many businesses and for local and regional governments. In Berlin, Bsirske personally negotiated with the Social Democratic Party (SPD)-Left Party Senate, agreeing to wage cuts of up to 12 percent for public sector workers.

While the trade union leader reproaches the Free Democratic Party (FDP) for its “quasi-religious veneration” of the maxim “private before state,” and reports on the disastrous consequences of the “privatisation propaganda” in Berlin, he remains silent about the fact that, especially in Berlin, privatisation and the dismantling of public interests have been carried through by the SPD and Left Party, in close collaboration with Verdi.

Verdi has sabotaged countless labour disputes in recent years. Strikes were isolated and strangled and sellout contracts agreed on against the wishes of the workforce.

The union congress was held the same week that the attacks on the working class in Greece were intensified dramatically. Although it is public sector workers who are affected the most, Verdi has done nothing to defend the Greek workers. Instead, the union has intensified its collaboration with the very government in Berlin that is driving forward the attacks on Greek workers.

An official from the Greek trade union ADEDY brought greetings to the delegates and tried to present the various union protests and strikes as part of a massive campaign of resistance by the unions. In reality, since the beginning of the social attacks 18 months ago, the Greek unions have limited opposition to harmless protests and refused to organise an indefinite general strike because they are closely associated with PASOK and support the Papandreou government.

It was noteworthy that nobody at the congress spoke out against the right-wing policies of the Verdi leadership. Instead, Verdi boss Bsirske was reelected with nearly 95

percent of the delegates’ votes. Such servile voting has not been witnessed since the days of the Stalinist German Democratic Republic.

Those who talk about “left-wing union politics” were exposed once again by the Verdi congress. What was displayed was how, given the deepening of the economic crisis and growing class conflicts, the union apparatus closes ranks and offers itself to the government as a cornerstone of bourgeois order.

This is directly related to the social position of the union bureaucracy. The vast majority of the delegates were extremely well-paid full-time officials. A look at Bsirske’s own career path clearly reveals the corrupt milieu of the affluent middle-class within the union apparatus and how they fear the loss of their social position and income as a result of social protests and revolts.

Bsirske, who studied political science, became a member of the Green Party in 1987, having previously worked for the SPD. From his own personal experience, he knows how the employers argue and act in imposing job cuts. Three years before the founding of Verdi, Bsirske became head of personnel in Hannover, thanks to the ÖTV (Union of Public Services, Transport and Traffic) and the Greens, in which capacity he destroyed nearly 1,000 of the 16,000 jobs in the city administration.

When he took over as head of Verdi in 2001, he increased the union chief’s salary. Bsirske receives at least €150,000 a year from the union. He sits on the boards of the energy group RWE AG, Lufthansa AG, and Deutsche Postbank. As head of Verdi, he leads an apparatus of 3,200 officials that administers membership dues of almost €415 million a year, in addition to a portfolio of real estate, stocks and bonds whose amount is not disclosed.

Increasingly, union members are turning away from this corrupt bureaucracy. Once the largest single union in Europe with around 3 million members, Verdi has lost about a third—more than 900,000 members—since 2001.



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