German Left Party leader's plea for nationalism and the free market economy

Peter Schwarz 25 March 2016

The success of the right-wing Alternative for Germany (AfD) in the recent German elections cannot be understood without considering the role of the Left Party.

Particularly in the East of the country, the combination of left-wing phraseology with right-wing austerity policies by the Left Party has contributed to the frustration that is driving disappointed and embittered voters into the arms of the right-wing demagogues of the AfD. And, what is even more important, the political and theoretical positions of the Left Party are close to those of the AfD.

This is demonstrated with particular clarity by Sahra Wagenknecht's latest book. Under the title *Wealth without Greed*, the chairperson of the Left Party faction in parliament advocates an economic order that does "not abrogate markets," but "saves them from capitalism."

"We need," she writes, "what the neo-liberals are writing so gladly on their banners, but destroying in reality: freedom, personal initiative, competition, performance-based salaries, protection of self-made wealth."

Such an economic order, claims Wagenknecht, demands a strong national state, a national state that is ethnically and linguistically homogeneous and protects itself from the outside world. She cynically invokes "democracy" to justify this reactionary perspective.

"Democracy lives only in spaces that are manageable for people," she writes. "Only there does the *demos* [Greek for "the people"] have a chance of coming into contact with political decision-makers, of supervising and monitoring them. The larger, less homogeneous and less easily understandable the political unit is, the less it is able to function. If there are also linguistic and cultural differences, then it is a hopeless undertaking."

This shows that Wagenknecht's attacks on refugees in recent weeks were not a mere rhetorical lapse. If the word "democracy" is replaced with "dominant culture", there is no difference between her rejection of people who speak another language and have another culture and the xenophobic rhetoric of the AfD and the right wing of the Christian Social Union (CSU).

Wagenknecht combines the demand for national isolation with the demand for economic protectionism. She rejects transnational contracts and institutions with the argument: "If we want to live in a democratic community once again, the opposite way is the only possibility. Not policy has to be internationalized, but the economic structures have to be decentralized and made smaller." Wealth without Greed reads like the lament of a small entrepreneur who feels crushed by big capital because it stands in the way of her own social ascent. Wagenknecht never tires of castigating the contradictions, injustice and madness of global capitalism, but the word "socialism" is nowhere to be found in her book.

She denounces "capitalism" and praises the "market economy". She laments that "functioning markets and real competition" are "globally on the decline", that a "weak state and the deregulation of the economy" do not strengthen the market, but "the power of the big corporations over the markets, and, in this way over all society."

"The assumption that entrepreneurs need capitalism is a big mistake," she claims. "Rather, precisely because of the difficulty of access [to capital], it obstructs them and makes life difficult for them." And "most economists who attribute prosperity to competition, economic dynamism and the principle of merit have, for good reason, nothing good to say about capitalism."

To global capitalism Wagenknecht counterposes an idyllic market economy in which banks, competition and wealth serve the good of all, and everyone has a chance to rise and become rich. Just like in her previous book, *Freedom instead of Capitalism*, she idealizes the German Federal Republic of the arch-conservative Adenauer era and is full of praise for the liberal economists of that time.

In spite of all of her criticism of oligarchy and the banks, she does not wish to abolish capitalist property, but rather "rethink" it—that is, leave it as it is. "No one would dispute that the financial sector is of central importance for the development of a national economy," she writes.

Financial institutions should merely be "placed in a tight

corset" in accordance with the American model of the 1930s. They should be "small and stable", function according to the "business model of savings banks and credit unions", and no longer earn "a lot of money without any relevant performance". To this end, Wagenknecht wants to introduce "strict capital exchange controls" and "give states their own currency back", i.e., do away with the euro.

Wagenknecht calls her ideas something "new, that has never existed before". In fact such petty-bourgeois criticisms of capitalism are as old as capitalism itself. Marx and Engels already criticised "petty-bourgeois socialism" in the *Communist Manifesto*. They wrote that "this school of Socialism dissected with great acuteness the contradictions in the conditions of modern production", but wanted to cramp "the modern means of production and of exchange within the framework of the old property relations that have been, and were bound to be, exploded by those means." This was "both reactionary and Utopian."

In the following decades, petty-bourgeois quacks have repeatedly promised to resolve the crisis of capitalism with recipes similar to those put forward by Sahra Wagenknecht.

In the 20th century, the Nazis used the petty-bourgeois criticism of capitalism to mobilise the ruined middle classes against the socialist workers movement. They combined criticism of finance capital with anti-Semitism, postulated the antagonism between "rapacious and creative capital" and demanded the "breaking of interest slavery."

Once in power, the Nazis proved themselves to be dependable stooges of finance capital. The combination of National Socialism and anti-Semitism with the criticism of capitalism, which was especially pronounced in the Strasser faction of the party, was directed above all against the influence of Marxism and its international, socialist perspective on the workers movement.

The Marxist answer to the global crisis of capitalism bases itself on the international working class. "The international working class is the social force that objectively constitutes the mass base for world socialist revolution, which signifies an end to the nation-state system as a whole and the establishment of a global economy based on equality and scientific planning," as the statement "Socialism and the Fight Against War" of the International Committee of the Fourth International explains. "Imperialism seeks to save the capitalist order through war. The working class seeks to resolve the global crisis through social revolution."

Wagenknecht completely rejects this perspective. This is no misunderstanding. She and the Left Party speak for sections of the state apparatus, the union bureaucracy and wealthy layers of the middle classes, who fear a social movement from below much more than the rise of the right wing.

Oskar Lafontaine, whom Wagenknecht is politically close to and whom she recently married, was a leading figure in the SPD and in government for 40 years. He saw it as the task of the SPD to defuse social conflicts and suppress open class struggle. He left the party because it was no longer in a position to play this role on account of the policies of Gerhard Schröder. Wagenknecht herself was the spokesperson of the Stalinist "Communist Platform" in the Party of Democratic Socialism (PDS) after the reunification of Germany, which justified the repression of the working class by the Stalinist regime of the GDR.

It is significant that in her most recent book she not only does not call herself a socialist, but makes no mention at all of social movements from below. Instead, she calls on the ruling elite to turn to nationalist policies in light of growing social tensions and the increasing militarisation of German foreign policy.

In this way, Wagenknecht is also preparing a place for herself in a right-wing government, if the social and political crisis in Germany intensifies. Gregor Gysi, her predecessor at the head of the Left Party parliamentary faction, has already called for a coalition with the CDU after the election success of the AfD. The *Frankfurter Allgemeine Sonntagszeitung* interviewed Wagenknecht about her new book in an article headlined: "If necessary, also with Brüderle." Brüderle is a right-wing Free Democratic Party politician whom Wagenknecht praises in her book.

In the long run, however, given the similarity of perspective, nothing stands in the way of an alliance with the AfD itself. The reactionary implications of Wagenknecht's demand for national and economic isolation should not be underestimated. Under conditions of globalisation, which brings together billions of people in the process of production and makes them dependent on one another, it would result in an enormous economic step backwards and a massive destruction of the productive forces. It would be bound up with the sharpening of international tensions and war.



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