

Left Party defends austerity in Berlin

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As the Left Party's election campaign for the current state elections in Berlin got under way, Harald Wolf, the party's transport spokesman in the state parliament, presented his new book *Social Democrat-Left Party coalition in Berlin: a (self) critical balance sheet*.

The purpose of the book is to justify the most severe social cuts carried out in Berlin in the post-war period. These austerity measures were imposed by the Social Democrat-PDS, later Left Party, coalition in its ten years in power in Berlin from 2001 to 2011.

Wolf, a former member of the Pabloite IMG and subsequently the Alternative List (AL), (which later became part of the Greens), in Berlin, was economy senator in the Social Democrat-Left Party coalition from 2002 to 2011. In this capacity, he was one of the chief architects of the attacks on the population of Berlin. Today, he boasts about it. "The restructuring work of the Social Democrat-Left Party coalition was successful," he writes in his book.

His book comes out at an opportune time. It shows how the Left Party, and its predecessor PDS, brazenly lied to and deceived the Berlin population.

To recall: in the wake of the scandal over the Berlin State Bank erupted at the turn of the century the SPD led by Klaus Wowereit and Peter Strieder ended its coalition with the CDU in favour of a coalition with the PDS. The former state government of the Social Democrats and conservative CDU led by Eberhard Diepgen had been deeply implicated, and a popular movement against the enrichment of the political elite at the expense of the population had developed.

In the election campaign of 2002 the PDS campaigned for democratic socialism and social justice. It declared its intent to push the SPD to the left and railed against the speculators in the state bank, construction operators and their funders and corrupt accomplices in the CDU, above all Rüdiger Landowsky. The PDS emerged strengthened from the election with 22.6 percent of the vote, and in some eastern districts with over 40 percent.

As Harald Wolf now freely admits, the PDS had only one goal from the outset: to stabilise the reunited state of Berlin on a capitalist basis and suppress popular opposition—or, as it states in his book, "The SPD/Left Party coalition completed

a transformation from a parasitic-clientelist model, to a model of 'normal' capitalist development."

This remark was "difficult for lefts to tolerate," stated Tom Strohschneider, editor of *Neues Deutschland* and moderator of the book presentation last Tuesday in front of a small audience of mainly elderly Left Party supporters in Berlin's Prenzlauer Berg. Could one really claim that "the restructuring work carried out by the Social Democrat/Left Party coalition had been successful?" he asked.

"There were mistakes in the detail, but in principle it was right," stated Wolf, before speaking at great length on the unusual situation for Berlin in the aftermath of reunification, the catastrophic housing situation and above all the "much too large" number of employees of the municipal government. "On that basis, the community could no longer be financed."

Wolf described the privatisation of the public housing agency as an "error," which became the starting point for rent increases in Berlin. But, in the manner of a true market economist, he insisted there had been a better price on offer: selling off debt as well. The cutting of benefits for the blind and the elimination of the social ticket, which was reinstated after protests, were also errors because the "emotional value" of such decisions had been underestimated.

The greatest error of all, he said, was that PDS-Left Party leader Gregor Gysi made too many social promises in the election campaign. It should have been made clear "that there would be no free lunches." He was aware of this long before the election. At the beginning of 2001 in a joint paper with Carola Freundl (now Bluhm) entitled "Responsibility comes before the cure," he had made this clear.

Wolf admitted that his "successes" were "nothing that society could get excited about." Among other things he listed the creation of a public job sector, which has since been shut down again, which served to massively expand cheap labour in Berlin, as well as the "restructuring" of the Vivantes health clinic, the transport company BVG and rubbish collector BSR. Luckily for him, nobody from these companies was among his listeners. Otherwise, they would have told a different story.

The result of the Social Democrat-Left Party coalition was

devastating, as the latest report from the Federal Agency of Labour shows. Berlin leads the country in child poverty, the incomes of public sector employees are 10 percent below the national average, a third of public service jobs were eliminated, and the number of contract workers increased by around 120 percent.

The massive cuts had been necessary, explained Wolf, just like those of the Syriza government in Greece. He cynically added that socialists had the problem of only entering government in times of crisis.

He could have been more honest and said: genuine socialists try to abolish capitalism in times of crisis. But we sought to save it!

From the outset, the PDS was concerned with gaining acceptance from the ruling elite in the Federal Republic, as Wolf demonstrates in his book. Well before the election, he had already proved himself to be a political operator. Gregor Gysi, who was still tarnished with his association with East Germany and the SED state Stalinist party, needed people like Wolf, with a “left biography” from the west in order to be accepted into the club of establishment parties.

Wolf described in detail his “good connections” to Wowerit and Strieder from the SPD built up during his time as an AL deputy. In 2000, he met regularly with Renate Künast and Sibylle Klotz from the Greens, and the Berlin trade union leader, Dieter Scholz. Together they had considered how to establish a governing majority apart from the discredited CDU.

But he also established contacts with the CDU, organising in early 2000, a year-and-a-half before the collapse of the Diepgen state government, a meeting between Gysi and Landowsky, the chief individual responsible for the banking scandal. This served to “normalise” relations between the PDS and CDU, and “dissolved partisan thinking.”

This was a useful contact for the bank and its fund owners, as was proven in the first year of the Social Democrat-PDS government: the bank received an immediate capital injection of €1.75 billion and was secured by an annual guarantee of €300 million in the state budget, which the Berlin population had to pay for in the form of cuts. The thorough uncovering of the speculation scandal and party funding scandals demanded by the PDS in the election campaign ended in 2010 with the acquittal of Landowsky.

Strohschneider, the Moderator wanted to know how Harald Wolf today understood a remark from Gysi from that time, to the effect that participation in government was “had its own value.” Wolf replied that the PDS did not enjoy any acceptance at that time, but “today it is different. We are an accepted part of the Federal Republic’s system.”

Responding to a question on the conclusions for a future government with Left Party involvement, he said that thanks

to the “restructuring work” of the Social Democrat-Left Party coalition tax intakes were flowing more rapidly, allowing new “room for creativity” to emerge. Since the Left Party was voted out of government, the state senate had neglected some things. But now the Left Party, if it made it back into government, wanted to “make the city function again.”

If this “mobilises the people, we have to wait and see,” he added critically. Wolf rejected out of hand the proposal of a participant during the subsequent round of questions to adopt slogans like “Abolish Hartz IV” social welfare and “fight for peace and against the NATO war danger” during the Berlin election campaign. The Hartz IV laws were federal laws, and a state government could not campaign for the abolition of these laws. The party “constantly” addresses the issues of war and peace, but it was “not a central theme for our state election campaign.”

At the end, he proclaimed to his listeners with an almost threatening undertone that the fundamental problem of participating in government was that “you become part of the state apparatus.” Because one was forced to make compromises, there was “the danger that social pressure is perceived as disruptive.” For example, trade union demonstrations against government policy could become “difficult,” according to Wolf, presumably with an eye on the strike developments in France.

But, he consoled the audience, there is the party “outside the state apparatus” as well as the party “in the state apparatus,” and described this as an “intelligent role play, with separate roles.”

As the Left Party now prepares itself to enter government again in Berlin and at the federal level, it will pursue its pro-capitalist politics even more openly and brutally than in the past, playing the same role as the Syriza government under Alexis Tsipras in Greece.

As if he wanted to announce this clearly, Strohschneider ended last Tuesday’s book presentation with the comment, “I thank you, dear...just then I wanted to call you ‘Alexis Wolf!’.”



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