

# Social inequality and Germany's government crisis

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It is no mere historical coincidence that the recently published “Report on Worldwide Inequality” came to the conclusion that social inequality in Germany is greater than at any time since 1913.

1913 was an historical turning point. It was the last year in an epoch of 40 years in which Europe was relatively peaceful and stable, and registered strong economic growth. In the summer of the following year, a new 30-year epoch began, which included two world wars, bitter class struggle, and the barbarism of the Nazis. When it was over, 100 million people had lost their lives and large parts of Europe lay in ruins.

The period prior to 1914, which from a “highly privileged perspective, by an upper-middle-class man of wealth and standing” was labelled in retrospect “The Gilded Age,” “*la belle époque*” or “the Wilhelmine era,” was seen very differently “among the urban masses huddled in the slums of Berlin, Vienna, Paris, St. Petersburg or London,” as historian Ian Kershaw observed in his book, *To Hell and Back: Europe, 1914-1949*.

The development of capitalism into imperialism—the suppression of free competition by monopolies, the emergence of “a financial oligarchy, which throws a close network of dependence relationships over all the economic and political institutions of present-day bourgeois society without exception” (Lenin), the struggle for colonies, raw materials and markets—imparted an unprecedented severity to the conflicts between both the classes and the imperialist powers.

The First World War was the answer to both of these conflicts. It served to project class tensions outward before they assumed a revolutionary character, enabled the ruling classes to brand all political opposition as “treason,” and brought about the redivision of the world among the great imperialist powers.

The parallels to the contemporary situation are

astounding. Social inequality has once again reached a scale that is no longer compatible with democratic forms of rule. In all leading capitalist countries, the ruling elite is abolishing democratic rights and rearming the state under fraudulent pretexts.

Following brutal colonial wars in the Middle East and Africa, the imperialist powers are preparing for conflicts against nuclear-armed Russia and China, and against each other. “Geopolitics are back, and back with a vengeance, after this holiday from history we took in the so-called post-Cold War period,” as US National Security Adviser General H.R. McMaster recently put it.

The sharpest expression of this is to be found in the US, where Donald Trump has assumed power with a cabal of billionaires, generals and right-wing extremists, without meeting with any meaningful opposition from the political establishment. But things are fundamentally no different in Germany and Europe. This is the reason for the ongoing governmental crisis in Berlin.

September's federal election “marked the end of Germany's post-war order, the happy era of moderation and the dominance of two great incumbent *volksparteien* [“people's parties”],” wrote Britain's *Telegraph*. The newspaper argued that the breakdown of the “consensus on equality and justice” as having been caused by the growth of poverty and inequality.

Negotiations on forming a new government are dragging on so long because the ruling elite requires an entirely different regime to launch a vast programme of rearmament, pursue great power policies abroad and impose itself ruthlessly at home.

This has been expressed most clearly by Sigmar Gabriel, the former Social Democratic Party (SPD) leader and current Foreign Minister. In a keynote foreign policy speech at the Körber Foundation, he appealed for an interest-based German great power policy that is not rooted in moral values or norms. There is “for we

Germans ... no comfortable place on the sidelines of international politics any more,” he commented.

The political scientist Herfried Münkler, who Gabriel explicitly referred to in his keynote speech, has spoken out in favour of a return to German militarism’s most despicable traditions. “Millions of people died in wars, heroic fantasies came to an end, and we think we don’t need heroes any more. That is an error,” he wrote in the *Neue Zürcher Zeitung*.

On domestic policy, Gabriel is promoting the right-wing, nationalist agenda of the Alternative for Germany (AfD). In a guest commentary in *Der Spiegel*, the weekly news magazine, he advocated the adoption by the SPD of ideas from the right such as “identity,” “dominant culture” and “homeland.”

The contrast between rich and poor will continue to grow. Already Siemens, Opel, Bombardier, Air Berlin, Deutsche Bank and numerous other firms have announced mass layoffs. The next government, regardless of its composition and whether it is led by Merkel or someone else, will move much further to the right than the current coalition. The coming year will be characterised by harsh class and political conflicts.

Workers and young people must prepare accordingly. Only in this way can a catastrophe like that which occurred in the 20th century be averted. They must break with the SPD, Left Party, trade unions and all the bankrupt organisations responding to the capitalist crisis by shifting rightward, and build their own independent party.

The Sozialistische Gleichheitspartei (Socialist Equality Party) connects the struggle against war, poverty and repression with the fight for a socialist society. As the German section of the International Committee of the Fourth International, the SGP counterposes the international unity of the working class to the growth of nationalism.



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